



ANNUAL BUDGET OF //KHARA HAIS MUNICIPALITY

2012/13 TO 2014/15
MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS

Adopted by Council on
31 May 2012

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Table of Contents

| | |
|---|-----------|
| PART 1 – ANNUAL BUDGET..... | 1 |
| 1.1 MAYOR’S REPORT..... | 1 |
| 1.2 COUNCIL RESOLUTIONS | 2 |
| 1.3 EXECUTIVE SUMMARY | 4 |
| 1.4 OPERATING REVENUE FRAMEWORK | 7 |
| 1.5 OPERATING EXPENDITURE FRAMEWORK..... | 19 |
| 1.6 CAPITAL EXPENDITURE | 24 |
| 1.7 ANNUAL BUDGET TABLES - PARENT MUNICIPALITY..... | 27 |
| PART 2 – SUPPORTING DOCUMENTATION | 45 |
| 2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS | 45 |
| 2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP | 49 |
| 2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS..... | 58 |
| 2.4 OVERVIEW OF BUDGET RELATED-POLICIES..... | 68 |
| 2.5 OVERVIEW OF BUDGET ASSUMPTIONS | 71 |
| 2.6 OVERVIEW OF BUDGET FUNDING | 74 |
| 2.7 EXPENDITURE ON GRANTS AND RECONCILIATIONS OF UNSPENT FUNDS..... | 91 |
| 2.8 COUNCILLOR AND EMPLOYEE BENEFITS..... | 93 |
| 2.9 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW..... | 94 |
| 2.10 ANNUAL BUDGETS AND SDBIPs – INTERNAL DEPARTMENTS..... | 101 |
| 2.11 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS | 102 |
| 2.12 CAPITAL EXPENDITURE DETAILS | 102 |
| 2.13 LEGISLATION COMPLIANCE STATUS..... | 126 |
| 2.14 OTHER SUPPORTING DOCUMENTS..... | 128 |
| 2.15 MUNICIPAL MANAGER’S QUALITY CERTIFICATE | 135 |

List of Tables

| | |
|---|----|
| Table 1 Consolidated Overview of the 2011/12 MTREF | 6 |
| Table 2 Summary of revenue classified by main revenue source..... | 8 |
| Table 3 Percentage growth in revenue by main revenue source | 8 |
| Table 4 Operating Transfers and Grant Receipts | 9 |
| Table 5 Comparison of proposed rates to levied for the 2011/12 financial year | 12 |
| Table 6 Proposed Water Tariffs | 13 |
| Table 7 Comparison between current water charges and increases (Domestic) | 13 |
| Table 8 Comparison between current electricity charges and increases (Domestic)..... | 14 |
| Table 9 Comparison between current sanitation charges and increases | 16 |
| Table 10 Comparison between current sanitation charges and increases, single dwelling- houses.... | 16 |
| Table 11 Comparison between current waste removal fees and increases | 17 |
| Table 12 MBRR Table SA14 – Household bills..... | 18 |
| Table 13 Summary of operating expenditure by standard classification item | 19 |
| Table 14 Operational repairs and maintenance | 23 |
| Table 15 Repairs and maintenance per asset class..... | 24 |

| | | |
|----------|---|----|
| Table 16 | 2011/12 Medium-term capital budget per vote | 25 |
| Table 17 | MBRR Table A1 - Budget Summary | 28 |
| Table 18 | MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification) | 29 |
| Table 19 | MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote) | 30 |
| Table 20 | Surplus/(Deficit) calculations for the trading services | 31 |
| Table 21 | MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure) | 32 |
| Table 22 | MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source | 35 |
| Table 23 | MBRR Table A6 - Budgeted Financial Position | 36 |
| Table 24 | MBRR Table A7 - Budgeted Cash Flow Statement | 38 |
| Table 25 | MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation | 39 |
| Table 26 | MBRR Table A9 - Asset Management..... | 41 |
| Table 27 | MBRR Table A10 - Basic Service Delivery Measurement | 43 |
| Table 28 | IDP Strategic Objectives | 51 |
| Table 29 | MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue | 55 |
| Table 30 | MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure | 56 |
| Table 31 | MBRR Table SA7 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure | 57 |
| Table 32 | MBRR Table SA7 - Measurable performance objectives..... | 61 |
| Table 33 | MBRR Table SA8 - Performance indicators and benchmarks..... | 63 |
| Table 34 | Credit rating outlook | 72 |
| Table 35 | Breakdown of the operating revenue over the medium-term | 74 |
| Table 36 | Proposed tariff increases over the medium-term..... | 76 |
| Table 37 | MBRR SA15 – Detail Investment Information | 77 |
| Table 38 | MBRR SA16 – Investment particulars by maturity | 78 |
| Table 39 | Sources of capital revenue over the MTREF | 78 |
| Table 40 | MBRR Table SA 17 - Detail of borrowings | 79 |
| Table 41 | MBRR Table SA 18 - Capital transfers and grant receipts | 80 |
| Table 42 | MBRR Table A7 - Budget cash flow statement..... | 81 |
| Table 43 | MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation | 83 |
| Table 44 | MBRR SA10 – Funding compliance measurement | 86 |
| Table 45 | MBRR SA19 - Expenditure on transfers and grant programmes..... | 91 |
| Table 46 | MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds | 92 |
| Table 47 | MBRR SA22 - Summary of councillor and staff benefits | 93 |
| Table 48 | MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers) | 94 |
| Table 49 | MBRR SA24 – Summary of personnel numbers | 94 |
| Table 50 | MBRR SA25 - Budgeted monthly revenue and expenditure | 95 |
| Table 51 | MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)..... | 96 |
| Table 52 | MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)..... | 97 |
| Table 53 | MBRR SA28 - Budgeted monthly capital expenditure (municipal vote) | 98 |

| | |
|--|-----|
| Table 54 MBRR SA29 - Budgeted monthly capital expenditure (standard classification) | 99 |
| Table 55 MBRR SA30 - Budgeted monthly cash flow | 100 |
| Table 56 Water Services Department - operating revenue by source, expenditure by type and total capital expenditure..... | 101 |
| Table 57 Water Services Department – Performance objectives and indicators | 101 |
| Table 58 MBRR SA 34a - Capital expenditure on new assets by asset class | 103 |
| Table 59 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class..... | 104 |
| Table 60 MBRR SA34c - Repairs and maintenance expenditure by asset class | 104 |
| Table 61 MBRR SA35 - Future financial implications of the capital budget | 106 |
| Table 62 MBRR SA36 - Detailed capital budget per municipal vote | 107 |
| Table 63 MBRR SA37 - Projects delayed from previous financial year | 123 |
| Table 64 MBRR Table SA1 - Supporting detail to budgeted financial performance | 128 |
| Table 65 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)..... | 131 |
| Table 66 MBRR Table SA3 – Supporting detail to Statement of Financial Position | 132 |
| Table 67 MBRR Table SA9 – Social, economic and demographic statistics and assumptions..... | 133 |
| Table 68 MBRR SA32 – List of external mechanisms | 134 |

List of Figures

| | |
|--|----|
| Figure 1 Main operational expenditure categories for the 2011/12 financial year | 22 |
| Figure 2 Capital Infrastructure Programme | 26 |
| Figure 3 Expenditure by major type..... | 33 |
| Figure 4 Depreciation in relation to repairs and maintenance over the MTREF | 42 |
| Figure 5 Planning, budgeting and reporting cycle | 58 |
| Figure 6 Definition of performance information concepts | 60 |
| Figure 7 Breakdown of operating revenue over the 2011/12 MTREF | 75 |
| Figure 8 Sources of capital revenue for the 2011/12 financial year..... | 79 |
| Figure 9 Growth in outstanding borrowing (long-term liabilities)..... | 80 |
| Figure 10 Cash and cash equivalents / Cash backed reserves and accumulated funds | 85 |

Abbreviations and Acronyms

| | | | |
|--------|--|-------|---|
| AMR | Automated Meter Reading | LED | Local Economic Development |
| ASGISA | Accelerated and Shared Growth Initiative | MEC | Member of the Executive Committee |
| BPC | Budget Planning Committee | MFMA | Municipal Financial Management Act |
| CBD | Central Business District | MIG | Municipal Infrastructure Grant |
| CFO | Chief Financial Officer | MMC | Member of Mayoral Committee |
| CM | City Manager | MPRA | Municipal Properties Rates Act |
| CPI | Consumer Price Index | MSA | Municipal Systems Act |
| CRRF | Capital Replacement Reserve Fund | MTEF | Medium-term Expenditure Framework |
| DBSA | Development Bank of South Africa | MTREF | Medium-Term Revenue and Expenditure Framework |
| DoRA | Division of Revenue Act | NERSA | National Electricity Regulator South Africa |
| DWA | Department of Water Affairs | NGO | Non-Governmental organisations |
| EE | Employment Equity | NKPIs | National Key Performance Indicators |
| EEDSM | Energy Efficiency Demand Side Management | OHS | Occupational Health and Safety |
| EM | Executive Mayor | OP | Operational Plan |
| FBS | Free basic services | PBO | Public Benefit Organisations |
| GAMAP | Generally Accepted Municipal Accounting Practice | PHC | Provincial Health Care |
| GDP | Gross domestic product | PMS | Performance Management System |
| GDS | Gauteng Growth and Development Strategy | PPE | Property Plant and Equipment |
| GFS | Government Financial Statistics | PPP | Public Private Partnership |
| GRAP | General Recognised Accounting Practice | PTIS | Public Transport Infrastructure System |
| HR | Human Resources | RG | Restructuring Grant |
| HSRC | Human Science Research Council | RSC | Regional Services Council |
| IDP | Integrated Development Strategy | SALGA | South African Local Government Association |
| IT | Information Technology | SAPS | South African Police Service |
| kℓ | kilolitre | SDBIP | Service Delivery Budget Implementation Plan |
| km | kilometre | SMME | Small Micro and Medium Enterprises |
| KPA | Key Performance Area | | |
| KPI | Key Performance Indicator | | |
| kWh | kilowatt | | |
| ℓ | litre | | |

Part 1 – Annual Budget

1.1 Mayor's Report

In his Budget Speech to Parliament on 17 February 2010, the Minister of Finance said: *"We cannot expect to do the same old things and expect different results"*. In the past three years, the world economy has gone through its deepest recession in over 70 years. Signals are that the recovery is still fragile and many commentators caution that current positive economic trends may be short-lived and that the world economy may yet experience a second recessionary wave. //Khara Hais Municipality was in no way immune to the harsh economic realities associated with the recession. Among the impacts are the serious cash flow challenges currently being experienced by the municipality due to among other things the depletion of cash-backed reserves; historic expenditure patterns and a general lack of "doing business smarter".

Management within local government has a significant role to play in strengthening the link between the citizen and government's overall priorities and spending plans. The goal should be to enhance service delivery aimed at improving the quality of life for all people within the //Khara Hais Municipality. Budgeting is primarily about the choices that the municipality has to make between competing priorities, available financial resources and fiscal realities. The challenge is to do more with the available resources. We need to remain focused on the effective delivery of the core municipal services through the application of efficient and effective service delivery mechanisms.

We, as leaders, have the power to take decisions and had to take hard decisions on how we will use available resources. We cannot please everyone and everyone will not necessarily agree with these decisions. Bill Cosby once said: *"I don't know the key to success, but the key to failure is trying to please everybody."*

The application of sound financial management principles for the compilation of the municipality's financial plan (Annexure A to the IDP) is essential and critical to ensure that the municipality remains financially viable and that sustainable municipal services are provided economically and equitably to all communities.

We as councillors and senior management together with the inputs and comments of the local community has developed an IDP and a credible and sustainable budget with

realistically anticipated revenue sources to improve the quality of our people's life. Unfortunately our needs are far greater than our available resources and therefore not nearly enough of the developmental needs identified in our developed IDP could be met with the available financial resources. It is however a worldwide problem that identified needs by far exceeds available financial resources and therefore we had to prioritise our needs and implement those projects and programmes that have the biggest affect in improving our people's quality of life.

Based on the comments and inputs received on the draft IDP and draft budget and proposed tariffs, It is recommended that Council adopt the following budget resolutions.

1.2 Council Resolutions

On 31 May 2012 the Council of //Khara Hais Municipality met in the Council Chambers of //Khara Hais Municipality to consider the annual budget of the municipality for the financial year 2012/2013. The Council approved and adopted the following resolutions:

1. The Council of //Khara Hais Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
 - 1.1. The annual budget of the municipality for the financial year 2012/2013 and the multi-year and single-year operating and capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 18 on [page 24](#);
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 19 on [page 26](#);
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 21 on [page 28](#); and
 - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 22 on [page 30](#).
 - 1.2. The financial position, cash flow budget, cash-backed reserve / accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:

- 1.2.1. Budgeted Financial Position as contained in Table 23 on [page 32](#);
 - 1.2.2. Budgeted Cash Flows as contained in Table 24 on [page 34](#);
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 25 on [page 34](#);
 - 1.2.4. Asset management as contained in Table 26 on [page 36](#); and
 - 1.2.5. Basic service delivery measurement as contained in Table 27 on [page 38](#).
2. The Council of //Khara Hais Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2012:
 - 2.1. The tariffs for property rates – as set out in Annexure A (Tariff List);
 - 2.2. The tariffs for electricity – as set out in Annexure A (Tariff List);
 - 2.3. The tariffs for the supply of water – as set out in Annexure A (Tariff List);
 - 2.4. The tariffs for sanitation services – as set out in Annexure A (Tariff List); and
 - 2.5. The tariffs for solid waste services – as set out in Annexure A (Tariff List).
3. The Council of //Khara Hais Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2012 the tariffs for all other services, as set out in Annexure A (Tariff List).
4. To give proper effect to the municipality's annual budget, the Council of //Khara Hais Municipality approves:
 - 4.1. That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.
 - 4.2. That the municipality be permitted to enter into long-term loans for the funding of the capital programmes in respect of the 2012/2013 financial year limited to an

amount of R 41.6 million; R 23.5 million and R 26.1 million per financial year of the MTREF in terms of Section 46 of the Municipal Finance Management Act.

- 4.3. That the Municipal Manager be authorised to sign all necessary agreements and documents to give effect to the above lending programme.

1.3 Executive Summary

The application of sound financial management principles for the compilation of the municipality's financial plan (Annexure A to the IDP) is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on non-core and 'nice to have' items. This has resulted in savings to the municipality. Key areas where savings were realised were on telephone and internet usage, printing, workshops, overseas and national travel, accommodation, and catering.

The municipality has embarked on implementing a range of revenue collection strategies to optimise the collection of debt owed by consumers. Furthermore, the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No. 58 and 59 were used to guide the compilation of the 2012/2013 MTREF.

The main challenges experienced during the compilation of the 2012/2013 MTREF can be summarised as follows:

- The on-going difficulties in the national and local economy;
- Aging water, sewerage, roads and electricity infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash-backed reserves of the municipality;
- The increased cost of bulk water and electricity (due to tariff increases from DWA and Eskom), which is placing upward pressure on service tariffs to residents. Continuous

high tariff increases are not sustainable - as there will be point where services will no longer be affordable;

- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;
- Affordability of capital projects – original allocations had to be reduced and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2012/2013 MTREF process; and
- Availability of affordable capital / borrowing.

The following budget principles and guidelines directly informed the compilation of the 2012/2013 MTREF:

- The 2011/2012 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2012/2013 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI; except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the wage negotiations as well as cost of bulk water and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- Expenditure on certain items were limited and for the following items and allocations to these items it had to be supported by a list and / or motivation setting out the intention and cost of the expenditure which was used to prioritise expenditures:
 - Special Projects;
 - Consultant Fees;
 - Furniture and office equipment;
 - Special Events;
 - Refreshments and entertainment;
 - Ad-hoc travelling; and
 - Subsistence, Travelling & Conference fees (national & international).

In view of the aforementioned, the following table is a consolidated overview of the proposed 2012/2013 Medium-term Revenue and Expenditure Framework:

Table 1: Consolidated Overview of the 2012/2013 MTREF

| R thousands | 2011/2012 Adjusted Budget | Budget Year 2012/13 | 2012/13 % Increase | Budget Year +1 2013/14 | 2013/14 % Increase | Budget Year +2 2014/15 | 2014/15 % Increase |
|-----------------------------|---------------------------------|---------------------------|-----------------------|------------------------------|-----------------------|------------------------------|-----------------------|
| Total Operating Revenue | 377,064 | 420,253 | 11.5% | 455,372 | 8.4% | 497,298 | 9.2% |
| Total Operating Expenditure | 387,407 | 418,697 | 8.1% | 453,667 | 8.4% | 495,452 | 9.2% |
| Surplus/(Deficit) | (10,343) | 1,556 | -115.0% | 1,706 | 9.6% | 1,846 | 8.2% |
| Total Capital Expenditure | 106,336 | 77,718 | -26.9% | 52,295 | -32.7% | 58,254 | 11.4% |

Total operating revenue has grown by 11.5% or R 43.2 million for the 2012/2013 financial year when compared to the 2011/2012 Adjustments Budget. For the two outer years, operational revenue will increase by 8.4% and 9.2% respectively; equating to a total revenue growth of R 120.2 million over the MTREF when compared to the 2011/2012 financial year.

Total operating expenditure for the 2012/2013 financial year has been appropriated at R 418.7 million and translates into a budgeted surplus of R 1.6 million. When compared to the 2011/2012 Adjustments Budget; operating expenditure has grown by 8.1% in the 2012/2013 budget and by 8.4% and 9.2% for each of the respective outer years of the MTREF. The operating surplus for the two outer years steadily increases to R 1.7 million and then stabilise at R 1.8 million. These surpluses will be used to fund capital expenditure and to further ensure cash backing of reserves and funds.

The capital budget of R 77.7 million for 2012/2013 is 26.9% less when compared to the 2011/2012 Adjustment Budget. The reduction is due to various projects being finalised in the previous financial year as well as affordability constraints in the light of current economic circumstances. The capital programme further decreases to R 52.3 million in the 2013/2014 financial year and then evens out in 2014/2015 to R 58.3 million. A substantial portion of the capital budget will be funded from borrowing over MTREF with anticipated borrowings of R 41.6 million; R 23.5 million and R 26.1 million in each of the financial years of the MTREF. Borrowing will contribute 53.5%, 44.9% and 44.8% of capital expenditure in each of the MTREF years; and, government grants and transfers will contribute 41.3%, 46.7% and 47.0% of capital expenditure in each of the MTREF years. The balance will be funded from internally generated funds. Note that the municipality has reached its prudential borrowing limits and so there is very little scope to substantially increase these borrowing levels over the medium-term. The repayment of capital and interest (debt services costs) has

substantially increased over the past three years as a result of the aggressive capital infrastructure programme implemented over the past three years. Consequently, the capital budget remains relatively flat over the medium-term.

1.4 Operating Revenue Framework

For //Khara Hais Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 99 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing / calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of "free" basic services; and
- Tariff policies of the municipality.

The following Table 2 is a summary of the 2012/2013 MTREF (classified by main revenue source). In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus / (deficit).

Table 2 Summary of revenue classified by main revenue source

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Revenue By Source | | | | | | | | | |
| Property rates | 32,185 | 34,970 | 38,104 | 40,858 | 41,934 | 41,934 | 48,654 | 52,081 | 55,750 |
| Property rates - penalties & collection charges | - | - | - | - | - | - | - | - | - |
| Service charges - electricity revenue | 84,342 | 108,081 | 141,879 | 173,675 | 174,834 | 174,834 | 194,082 | 215,425 | 239,115 |
| Service charges - water revenue | 30,526 | 34,312 | 35,927 | 40,390 | 40,571 | 40,571 | 43,412 | 46,454 | 49,708 |
| Service charges - sanitation revenue | 16,990 | 19,044 | 20,356 | 21,534 | 23,215 | 23,215 | 24,842 | 26,583 | 28,446 |
| Service charges - refuse revenue | 11,127 | 12,552 | 14,390 | 15,739 | 17,037 | 17,037 | 22,659 | 24,245 | 25,942 |
| Service charges - other | - | - | - | - | - | - | - | - | - |
| Rental of facilities and equipment | 5,012 | 5,754 | 4,404 | 5,736 | 5,637 | 5,637 | 6,192 | 6,812 | 7,493 |
| Interest earned - external investments | 2,428 | 2,428 | 856 | 1,500 | 512 | 512 | 1,512 | 1,588 | 1,667 |
| Interest earned - outstanding debtors | 1,401 | 1,791 | 2,123 | 2,200 | 2,638 | 2,638 | 2,902 | 3,106 | 3,323 |
| Dividends received | - | - | - | - | - | - | - | - | - |
| Fines | 1,691 | 1,001 | 1,386 | 1,890 | 1,519 | 1,519 | 1,611 | 1,772 | 1,949 |
| Licences and permits | 1,445 | 1,232 | 1,554 | 1,527 | 1,575 | 1,575 | 1,669 | 1,836 | 2,020 |
| Agency services | 2,456 | 2,830 | 3,075 | 3,141 | 3,221 | 3,221 | 3,415 | 3,756 | 4,132 |
| Transfers recognised - operational | 36,621 | 70,322 | 81,733 | 58,796 | 61,716 | 61,716 | 66,551 | 68,690 | 74,426 |
| Other revenue | 2,321 | 2,980 | 3,263 | 2,592 | 2,654 | 2,654 | 2,751 | 3,025 | 3,327 |
| Gains on disposal of PPE | 705 | 71 | 48 | 50 | 0 | 0 | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | 229,249 | 297,367 | 349,098 | 369,628 | 377,064 | 377,064 | 420,253 | 455,372 | 497,298 |

The following Table 3 shows the percentage growth in revenue by main revenue source.

Table 3 Percentage growth in revenue by main revenue source

| Description / R thousand | Current Year 2011/12 | | 2012/13 Medium Term Revenue & Expenditure Framework | | | | | |
|---|----------------------|--------|---|--------|------------------------|--------|------------------------|--------|
| | Adjusted Budget | % | Budget Year 2012/13 | % | Budget Year +1 2013/14 | % | Budget Year +2 2014/15 | % |
| Revenue By Source | | | | | | | | |
| Property rates | 41,934 | 11.1% | 48,654 | 11.6% | 52,081 | 11.4% | 55,750 | 11.2% |
| Property rates - penalties & collection charges | - | 0.0% | - | 0.0% | - | 0.0% | - | 0.0% |
| Service charges - electricity revenue | 174,834 | 46.4% | 194,082 | 46.2% | 215,425 | 47.3% | 239,115 | 48.1% |
| Service charges - water revenue | 40,571 | 10.8% | 43,412 | 10.3% | 46,454 | 10.2% | 49,708 | 10.0% |
| Service charges - sanitation revenue | 23,215 | 6.2% | 24,842 | 5.9% | 26,583 | 5.8% | 28,446 | 5.7% |
| Service charges - refuse revenue | 17,037 | 4.5% | 22,659 | 5.4% | 24,245 | 5.3% | 25,942 | 5.2% |
| Service charges - other | - | 0.0% | - | 0.0% | - | 0.0% | - | 0.0% |
| Rental of facilities and equipment | 5,637 | 1.5% | 6,192 | 1.5% | 6,812 | 1.5% | 7,493 | 1.5% |
| Interest earned - external investments | 512 | 0.1% | 1,512 | 0.4% | 1,588 | 0.3% | 1,667 | 0.3% |
| Interest earned - outstanding debtors | 2,638 | 0.7% | 2,902 | 0.7% | 3,106 | 0.7% | 3,323 | 0.7% |
| Dividends received | - | 0.0% | - | 0.0% | - | 0.0% | - | 0.0% |
| Fines | 1,519 | 0.4% | 1,611 | 0.4% | 1,772 | 0.4% | 1,949 | 0.4% |
| Licences and permits | 1,575 | 0.4% | 1,669 | 0.4% | 1,836 | 0.4% | 2,020 | 0.4% |
| Agency services | 3,221 | 0.9% | 3,415 | 0.8% | 3,756 | 0.8% | 4,132 | 0.8% |
| Transfers recognised - operational | 61,716 | 16.4% | 66,551 | 15.8% | 68,690 | 15.1% | 74,426 | 15.0% |
| Other revenue | 2,654 | 0.7% | 2,751 | 0.7% | 3,025 | 0.7% | 3,327 | 0.7% |
| Gains on disposal of PPE | 0 | 0.0% | - | 0.0% | - | 0.0% | - | 0.0% |
| Total Revenue (excluding capital transfers and contributions) | 377,064 | 100.0% | 420,253 | 100.0% | 455,372 | 100.0% | 497,298 | 100.0% |
| Total revenue from rates and service charges | 297,591 | 78.9% | 333,650 | 79.4% | 364,788 | 80.1% | 398,962 | 80.2% |

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the municipality. Rates and service charge revenues comprise more than three quarters of the total revenue mix. In the 2011/2012 financial year, revenue from rates and services charges totalled R 297.5 million or 78.9%. This increases to R 333.6 million, R 364.7 million and R 398.9 million in the respective financial years of the MTREF. A

notable trend is the increase in the total percentage revenue generated from rates and services charges which increases from 78.9% in 2011/2012 to 80.2% in 2013/2014. This growth can be mainly attributed to the increased share that the sale of electricity contributes to the total revenue mix, which in turn is due to rapid increases in the Eskom tariffs for bulk electricity. The above table excludes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality. Details in this regard are contained in Table 64 MBRR SA1 (see page 99).

Electricity sales is the largest revenue source totalling 46.2% or R 194.0 million rand and increases to R 239.1 million by 2014/2015. Property rates is the second largest revenue source totalling 11.6% or R 48.6 million rand and increases to R 55.7 million by 2014/2015. Water is the third largest revenue source totalling 10.3% or R 43.4 million rand and increases to R 49.7 million by 2014/2015. Departments have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related.

Operating grants and transfers totals R 61.7 million in the 2011/2012 financial year and steadily increases to R 74.4 million by 2014/2015. Note that the year-on-year growth for the 2011/12 financial year is 7.8% and then it decreases / increases to 3.2% and 8.4% in the two outer years. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Table 4 Operating Transfers and Grant Receipts

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-----------------------------|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| RECEIPTS: | | | | | | | | | |
| Operating Transfers and Grants | | | | | | | | | |
| National Government: | 28,848 | 34,716 | 43,586 | 48,361 | 48,361 | 48,361 | 56,141 | 60,528 | 65,659 |
| Local Government Equitable Share | 26,552 | 31,859 | 40,532 | 46,121 | 46,121 | 46,121 | 52,652 | 56,623 | 61,632 |
| Finance Management | 500 | 1,000 | 1,200 | 1,450 | 1,450 | 1,450 | 1,500 | 1,750 | 1,750 |
| Municipal Systems Improvement | 735 | 755 | 750 | 790 | 790 | 790 | 800 | 900 | 950 |
| Health Subsidy | 1,061 | 1,102 | 1,104 | - | - | - | - | - | - |
| Municipal Infrastructure Grant (MIG) | - | - | - | - | - | - | 1,189 | 1,255 | 1,327 |
| Provincial Government: | 5,311 | 27,084 | 39,564 | 8,750 | 6,133 | 6,133 | 5,123 | 3,881 | 4,019 |
| Housing | 1,701 | 23,752 | 38,460 | 7,025 | 3,893 | 3,893 | 1,600 | 1,600 | 1,600 |
| Health subsidy | 3,150 | 2,155 | 108 | 1,170 | 1,180 | 1,180 | 1,209 | 1,275 | 1,332 |
| Libraries | 459 | 1,176 | 196 | 312 | 95 | 95 | 929 | 1,006 | 1,087 |
| Capacity Building | - | - | - | 93 | 93 | 93 | - | - | - |
| Department of Water Affairs | - | - | - | - | 773 | 773 | 1,385 | - | - |
| Infrastructure Development | - | - | - | 50 | - | - | - | - | - |
| Promotion and Outreach Programme | - | - | - | 50 | 50 | 50 | - | - | - |
| Library Current Awareness Services | - | - | - | 50 | 50 | 50 | - | - | - |
| COGHSTA Subsidy | - | - | 800 | - | - | - | - | - | - |
| District Municipality: | - | - | - | - | - | - | - | - | - |
| Other grant providers: | 711 | 585 | 340 | - | 5,906 | 5,906 | 5,286 | 4,281 | 4,748 |
| SETA Training Subsidy | 318 | 384 | 320 | - | 767 | 767 | 813 | 862 | 914 |
| VAT Circular 48 | - | - | - | - | 5,138 | 5,138 | 4,473 | 3,419 | 3,834 |
| Other | 393 | 201 | 20 | - | - | - | - | - | - |
| Total Operating Transfers and Grants | 34,870 | 62,385 | 83,490 | 57,111 | 60,400 | 60,400 | 66,551 | 68,690 | 74,426 |

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the

affordability of services were taken into account to ensure the financial sustainability of the municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6% upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increases of both Eskom and DWA bulk tariffs are far beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality's electricity and in these tariffs are largely outside the control of the municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the municipality's future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services; whereas the cost drivers of a municipality are informed by items such as the cost of remuneration of salaries and allowances, bulk purchases of electricity and water, petrol, diesel, chemicals, cement, etcetera. The current challenge facing the municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the municipality has undertaken the tariff setting process relating to service charges as follows.

1.4.1 Property Rates

Property rates partially cover the cost of the provision of general services. However, some of these costs are subsidised through profits generated from trading services (electricity and water sales). Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties

relative to residential properties to be 0.25:1. The implementation of these regulations was done in the 2009/2010 budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R 45,000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA);
- 100% rebate may be granted to registered indigents in terms of the Customer Care, Credit Control, Debt Collection and Indigent Support Policy;
- For pensioners, physically and mentally disabled persons, a rebate of 20% to 100% (calculated on a sliding scale) will be granted to owners of rate-able property if the total gross income of the applicant and / or his / her spouse, if any, does not to exceed the amount R 5,140 per month. In this regard the following stipulations are relevant:
 - The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependants without income;
 - The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
 - The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
 - The property must be categorised as residential; and
- The Municipality may award a 100% grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organisations, institutions or organisations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply in the prescribed format for such a grant.
- Agricultural properties in terms of the //Khara Hais Municipality's Property Rates Policy may qualify for a further rebate of up to 20%. The owner of such a property must apply in the prescribed format for such a rebate.

It needs to be noted that //Khara Hais Municipality do have two property rates policies. One for the original jurisdictional area of the municipality before the 18 May 2011 municipal elections and one for the jurisdictional area of the Siyanda District Municipality that was incorporated within the //Khara Hais Municipality's jurisdictional area after the municipal elections that were held on 18 May 2011. The reason why the Property Rates Policy of the Siyanda District Municipality was retained was because it included a phasing-in contractual

arrangement for agricultural properties. In the case of //Khara Hais Municipality no phasing-in arrangements were in place since all agricultural properties were already taxed by the municipality for many years.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2012/2013 financial year based on the 8% increase from 1 July 2012 is contained in Table 5 below. Please note that the ratio for business properties has increased from 1.10 and 1.25 to 1.50 compared to the base rate of residential properties. Agricultural properties

Table 5 Comparison of proposed rates to levied for the 2011/12 financial year

| Category | Current Tariff (1 July 2011) | Proposed Tariff (1 July 2012) |
|---|------------------------------------|-------------------------------------|
| | Cent / R 1 | Cent / R 1 |
| //Khara Hais Municipality Jurisdictional Area before the 18 May 2011 municipal elections | | |
| Residential properties (Ratio 1.00 : 1.00) | 1,1688 | 1,2624 |
| Business properties (Ratio 1.00 : 1.10 / 1.50) | 1,2864 | 1,8936 |
| Agricultural properties (Ratio 1.00 : 0.25) | 0,2922 | 0,3156 |
| //Siyanda District Municipality Jurisdictional Area before the 18 May 2011 municipal elections | | |
| Residential properties (Ratio 1.00 : 1.00) | 0,6678 | 0,7212 |
| Business properties (Ratio 1.00 : 1.25 / 1.50) | 0,8348 | 1,0818 |
| Public Infrastructure (Ratio 1.00 : 0.25) | 0,1670 | 0,1803 |
| Agricultural properties (As per agreement) | 0,0551 | 0,0564 |

1.4.2 Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent households); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2014. Better maintenance of infrastructure and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability. The municipality pumps its raw water from the Orange River and pays DWA for it.

A tariff increase of 7% from 1 July 2012 for water is proposed. This is based on input cost assumptions (bulk water purchases from DWA); the cost of other inputs like chemicals, vehicle costs and salaries; and, a surplus generated on the water service of a minimum 15%. In addition 10 kℓ water per month will again be granted through the equitable share grant to all registered indigent households.

A summary of the proposed tariffs for households (residential) and non-residential are as follows:

Table 6 Proposed Water Tariffs

| CATEGORY | CURRENT TARIFFS 2011/2012 | PROPOSED TARIFFS 2012/2013 |
|---------------------------|---------------------------------|----------------------------------|
| | Rand per kℓ | Rand per kℓ |
| RESIDENTIAL | | |
| Basic charge per month | 0.00 | 0.00 |
| 1 to 6 kℓ per month | 4.07 | 4.36 |
| 7 to 18 kℓ per month | 6.48 | 6.93 |
| 19 to 90 kℓ per month | 3.96 | 4.24 |
| More than 91 kℓ per month | 4.98 | 5.33 |
| NON-RESIDENTIAL | | |
| Basic charge per month | 230.00 / 632.00 | 246.00 / 676.00 |
| 1 to 6 kℓ per month | 2.18 | 2.33 |
| 7 to 18 kℓ per month | 3.68 | 3.94 |
| 19 to 90 kℓ per month | 3.68 | 3.94 |
| More than 91 kℓ per month | 3.96 | 4.24 |

The following Table 7 shows the impact of the proposed increases in water tariffs on the water charges for a single dwelling-house.

Table 7 Comparison between current water charges and increases (Domestic)

| Monthly Consumption kℓ | Current Amount Payable R | Proposed Amount Payable R | Difference / Increase R | Percentage Change |
|------------------------------|-----------------------------------|------------------------------------|-------------------------------|----------------------|
| 20 | 110.10 | 117.80 | 7.70 | 7.0% |
| 30 | 149.70 | 160.20 | 10.50 | 7.0% |
| 40 | 189.30 | 202.60 | 13.30 | 7.0% |
| 50 | 228.90 | 245.00 | 16.10 | 7.0% |
| 80 | 347.70 | 372.20 | 24.50 | 7.0% |
| 100 | 437.10 | 467.90 | 30.80 | 7.0% |

The tariff structure of the 2012/2013 financial year has not been changed. The tariff structure is designed to charge higher levels of consumption a higher rate, steadily increasing to a rate of R 4.98 per kilolitre for consumption in excess of 90 kℓ per month.

1.4.3 Sale of Electricity and Impact of Tariff Increases

NERSA has announced the revised bulk electricity pricing structure. A 13.5% increase in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2012. Due to growth in the municipality (new provincial hospital included) the demand charges will increase and it will effectively mean bulk purchases in total to be 15.5% for 2012/2013 financial year.

Considering the Eskom increases, the consumer tariff had to be increased by 11.7% (indigent household consumers with 5.4%) to offset the additional bulk purchase cost from 1 July 2012. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which might have a negative impact on the municipality's revenue from electricity.

Registered indigents will again be granted 50 kWh per month as a free basic service through the equitable share grant. Only registered indigent households receive free basic services (electricity, water, refuse removal and sanitation services).

The following Table 8 shows the impact of the proposed increases in electricity tariffs on the electricity charges for domestic customers:

Table 8 Comparison between current electricity charges and increases (Domestic)

| Monthly Consumption kWh | Current Amount Payable R | Proposed Amount Payable R | Difference / Increase R | Percentage Change |
|--------------------------------|---------------------------------|----------------------------------|--------------------------------|--------------------------|
| 100 | 157.93 | 176.41 | 18.48 | 11.7% |
| 250 | 296.80 | 331.53 | 34.73 | 11.7% |
| 500 | 528.25 | 590.05 | 61.80 | 11.7% |
| 750 | 759.70 | 848.58 | 88.88 | 11.7% |
| 1,000 | 991.15 | 1,107.10 | 115.95 | 11.7% |
| 2,000 | 1,916.95 | 2,141.20 | 224.25 | 11.7% |

It should further be noted that NERSA has advised that a stepped tariff structure needs to be implemented from 1 July 2011. The effect thereof will be that the higher the consumption, the higher the cost per kWh. The aim is to subsidise the lower consumption users (mostly the poor). The municipality has applied with NERSA to delay the implementation thereof until our pre-paid selling system communication problems are solved to avoid any revenue losses. Until the communication problems are solved, the municipality will maintain the current structure of its electricity tariffs.

Although the electricity network is in an excellent condition, the upgrading of the municipality's electricity network remains a strategic priority, especially the substations and transmission lines. The approved budget for the Electricity Division can only be utilised for certain committed upgrade projects and to strengthen critical infrastructure (e.g. substations without back-up supply).

Owing to the high increases in Eskom's bulk tariffs over the last five years, it is clearly not possible to fund necessary upgrades through increases in the municipal electricity tariff – as the resultant tariff increases would be unaffordable for the consumers. It is therefore proposed that the taking up of loans as a strategy for funding of the infrastructure be considered and approved to spread the burden over the life span of the assets. As part of the 2012/2013 medium-term capital programme, funding has been allocated to electricity infrastructure but these funding levels will require further investigation as part of the next budget cycle in an attempt to source more funding to ensure this risk is mitigated.

1.4.4 Sanitation and Impact of Tariff Increases

A tariff increase of 7% for sanitation from 1 July 2012 is proposed. This is based on the input cost assumptions related to sanitation services. It should be noted that electricity costs, chemical costs, and, salaries and allowances contributes approximately 47% of waste water treatment input costs; therefore the higher than CPI increase of 7% per cent for sanitation tariffs.

The following factors also contribute to the proposed tariff increase:

- Sanitation charges are calculated according to the size of the improvements on the property with the argument that properties with bigger improvements on it will accommodate more people or business activities that will lead to the use more water to be discharged in the sewerage distribution networks – see calculations made in Table 9 below;
- Free sanitation services will be applicable to all registered indigents households; and
- The total revenue expected to be generated from rendering this service amounts to R 26.2 million for the 2012/2013 financial year.

The following Table 9 compares the current and proposed tariffs for household, business and other consumers.

Table 9 Comparison between current sanitation charges and increases

| Category | Current Tariff Per Month 2011/2012 R | Proposed Tariff Per Month 2012/2013 R |
|---|---|--|
| <i>Household Properties</i> | | |
| Improvements less than 70 m ² | 69.36 | 74.22 |
| Improvements between 71 m ² and 100 m ² | 89.26 | 95.51 |
| Improvements between 101 m ² and 200 m ² | 136.79 | 146.37 |
| Improvements larger than 200 m ² | 163.72 | 175.18 |
| <i>Hotels, Business and Offices generating revenue</i> | | |
| For improvements up to 200 m ² | 152.73 | 163.42 |
| The next 300 m ² or portion thereof | 152.73 | 163.42 |
| For the next 400 m ² or portion thereof above 500 m ² | 152.73 | 163.42 |
| <i>Industrial Properties</i> | | |
| For improvements up to 200 m ² | 152.73 | 163.42 |
| The next 300 m ² or portion thereof | 127.89 | 136.84 |
| For the next 400 m ² or portion thereof above 500 m ² to 4,100 m ² | 103.16 | 110.38 |
| For the next 400 m ² or portion thereof above 4,100 m ² | 51.16 | 54.74 |

The following table shows the impact of the proposed increases in sanitation tariffs on the sanitation charges for a single dwelling-house:

Table 10 Comparison between current sanitation charges and increases, houses

| Category | Current Tariff Per Month 2011/2012 R | Proposed Tariff Per Month 2012/2013 R | Difference Per Month (7% Increase) R |
|--|---|--|---|
| Improvements less than 70 m ² | 69.36 | 74.22 | 4.86 |
| Improvements between 71 m ² and 100 m ² | 89.26 | 95.51 | 6.25 |
| Improvements between 101 m ² and 200 m ² | 136.79 | 146.37 | 9.58 |
| Improvements larger than 200 m ² | 163.72 | 175.18 | 11.46 |

1.4.5 Waste Removal and Impact of Tariff Increases

Currently solid waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. The municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration.

A 33% increase in the waste removal tariff is proposed from 1 July 2012 to break-even. The higher increases of 11% over the last three years did not have the desired effect. The current

refuse removal tariff is the cheapest tariff of all service charges and therefore by ensuring that the municipality break-even in 2012/2013 will result in projected increases of about 7% for the two outer financial years. It is Council's opinion that the proposed refuse removal tariffs are affordable and will not mitigate a risk raising possible future bad debt.

The following table compares current and proposed amounts payable from 1 July 2012 for refuse removal services.

Table 11 Comparison between current waste removal fees and increases

| Category | Current Tariff Per Month 2011/2012 R | Proposed Tariff Per Month 2012/2013 R |
|---|---|--|
| <i>Household Properties</i> | | |
| Improvements less than 100 m ² | 57.00 | 75.81 |
| Improvements between 101 m ² and 200 m ² | 83.80 | 111.45 |
| Improvements larger than 200 m ² | 107.94 | 143.56 |
| <i>Business Properties</i> | | |
| Per m ² for the 1 st 1,500 m ² with a minimum levy of 125 m ² | 6.48 | 8.62 |
| Per m ² or portion thereof above 1,500 m ² to 3,000 m ² of floor space | 3.24 | 4.31 |
| Per m ² or portion thereof of floor space above 3,000 m ² | 1.80 | 2.40 |

The amount payable for one removal per week varies from R 75.81 to R 143.56 for a household. This tariff includes free black plastic bags. Indigent households will get this basic service free by means of an indigent subsidy through the equitable share allocation from National Government.

1.4.6 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a middle income household (property with a municipal valuation of R 700,000; 1,000 kWh electricity consumption and 30 kl of water consumption per month); affordable income household (property with a municipal valuation of R 500,000; 500 kWh electricity consumption and 25 kl of water consumption per month); a low income household (property with a municipal valuation of R 300,000; 350 kWh electricity consumption and 20 kl of water consumption per month); and, an indigent household (property with a municipal valuation of R 45,000; 50 kWh electricity consumption and 10 kl of water consumption per month) receiving free basic services. Note that in all instances the overall impact of the tariff increases on household's bills has been kept to between 8.3% and 8.8% per cent, with the increase for indigent households closer to 13.7%. However, indigent household's bills are fully subsidised.

Table 12 MBRR Table SA14 – Household bills

| Description / Rand / Cent | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | | |
|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|---------------------|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 % Increase | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Monthly Account for Household - 'Middle Income Range' | | | | | | | | | | |
| Rates and services charges: | | | | | | | | | | |
| Property rates | 520.33 | 556.75 | 595.72 | 637.97 | 637.97 | 637.97 | 8.0% | 689.01 | 737.24 | 788.84 |
| Electricity: Basic levy | – | – | – | – | – | – | – | – | – | – |
| Electricity: Consumption | 487.90 | 561.20 | 645.20 | 742.00 | 742.00 | 742.00 | 5.4% | 782.07 | 824.30 | 868.81 |
| Water: Basic levy | – | – | – | – | – | – | – | – | – | – |
| Water: Consumption | 119.70 | 130.50 | 139.68 | 149.70 | 149.70 | 149.70 | 7.0% | 160.18 | 171.39 | 183.39 |
| Sanitation | 132.45 | 144.35 | 153.01 | 163.72 | 163.72 | 163.72 | 7.0% | 175.18 | 187.44 | 200.56 |
| Refuse removal | 78.90 | 87.60 | 97.24 | 107.94 | 107.94 | 107.94 | 33.0% | 143.56 | 153.61 | 164.36 |
| Other | – | – | – | – | – | – | – | – | – | – |
| sub-total | 1,339.28 | 1,480.40 | 1,630.85 | 1,801.33 | 1,801.33 | 1,801.33 | 8.3% | 1,950.00 | 2,073.98 | 2,205.96 |
| VAT on Services | 114.65 | 129.31 | 144.92 | 162.87 | 162.87 | 162.87 | 8.4% | 176.54 | 187.14 | 198.40 |
| Total middle income household bill: | 1,453.93 | 1,609.71 | 1,775.77 | 1,964.20 | 1,964.20 | 1,964.20 | 8.3% | 2,126.54 | 2,261.12 | 2,404.36 |
| Less: Indigent Subsidy | (314.70) | (903.21) | (971.36) | (1,047.34) | (1,047.34) | (1,047.34) | 10.6% | (1,158.35) | (1,238.71) | (1,324.67) |
| Total Payable | 1,139.23 | 706.50 | 804.41 | 916.86 | 916.86 | 916.86 | | 968.19 | 1,022.41 | 1,079.69 |
| % increase/-decrease | | 10.7% | 10.3% | 10.6% | 10.6% | 10.6% | | 8.3% | 6.3% | 6.3% |
| % increase indigent households | | (38.0%) | 13.9% | 14.0% | 14.0% | 14.0% | | 5.6% | 5.6% | 5.6% |
| Monthly Account for Household - 'Affordable Range' | | | | | | | | | | |
| Rates and services charges: | | | | | | | | | | |
| Property rates | 361.45 | 386.75 | 413.82 | 443.17 | 443.17 | 443.17 | 8.0% | 478.62 | 512.13 | 547.98 |
| Electricity: Basic levy | – | – | – | – | – | – | – | – | – | – |
| Electricity: Consumption | 243.95 | 280.60 | 322.60 | 371.00 | 371.00 | 371.00 | 5.4% | 391.03 | 412.15 | 434.41 |
| Water: Basic levy | – | – | – | – | – | – | – | – | – | – |
| Water: Consumption | 103.95 | 113.25 | 121.23 | 129.90 | 129.90 | 129.90 | 7.0% | 138.99 | 148.72 | 159.13 |
| Sanitation | 110.65 | 120.60 | 127.84 | 136.79 | 136.79 | 136.79 | 7.0% | 146.37 | 156.61 | 167.57 |
| Refuse removal | 61.30 | 68.00 | 75.48 | 83.80 | 83.80 | 83.80 | 33.0% | 111.45 | 119.26 | 127.60 |
| Other | – | – | – | – | – | – | – | – | – | – |
| sub-total | 881.30 | 969.20 | 1,060.97 | 1,164.66 | 1,164.66 | 1,164.66 | 8.7% | 1,266.46 | 1,348.87 | 1,436.69 |
| VAT on Services | 72.78 | 81.54 | 90.60 | 101.01 | 101.01 | 101.01 | 9.2% | 110.30 | 117.14 | 124.42 |
| Total affordable income household bill: | 954.08 | 1,050.74 | 1,151.57 | 1,265.67 | 1,265.67 | 1,265.67 | 8.8% | 1,376.76 | 1,466.01 | 1,561.11 |
| Less: Indigent Subsidy | (269.78) | (683.79) | (735.96) | (794.32) | (794.32) | (794.32) | 10.6% | (878.51) | (939.30) | (1,004.30) |
| Total Payable | 684.30 | 366.95 | 415.61 | 471.35 | 471.35 | 471.35 | | 498.25 | 526.71 | 556.81 |
| % increase/-decrease | | 10.1% | 9.6% | 9.9% | 9.9% | 9.9% | | 8.8% | 6.5% | 6.5% |
| % increase indigent households | | (46.4%) | 13.3% | 13.4% | 13.4% | 13.4% | | 5.7% | 5.7% | 5.7% |
| Monthly Account for Household - "Low Income" | | | | | | | | | | |
| Household receiving free basic services | | | | | | | | | | |
| Rates and services charges: | | | | | | | | | | |
| Property rates | 202.57 | 216.75 | 231.92 | 248.37 | 248.37 | 248.37 | 8.0% | 268.24 | 287.02 | 307.11 |
| Electricity: Basic levy | – | – | – | – | – | – | – | – | – | – |
| Electricity: Consumption | 170.77 | 196.42 | 225.82 | 259.70 | 259.70 | 259.70 | 5.4% | 273.72 | 288.50 | 304.08 |
| Water: Basic levy | – | – | – | – | – | – | – | – | – | – |
| Water: Consumption | 88.20 | 96.00 | 102.78 | 110.10 | 110.10 | 110.10 | 7.0% | 117.81 | 126.05 | 134.88 |
| Sanitation | 72.20 | 78.70 | 83.42 | 89.26 | 89.26 | 89.26 | 7.0% | 95.51 | 102.19 | 109.35 |
| Refuse removal | 41.65 | 46.25 | 51.34 | 57.00 | 57.00 | 57.00 | 33.0% | 75.81 | 81.12 | 86.79 |
| Other | – | – | – | – | – | – | – | – | – | – |
| sub-total | 575.39 | 634.12 | 695.28 | 764.43 | 764.43 | 764.43 | 8.7% | 831.09 | 884.88 | 942.21 |
| VAT on Services | 52.19 | 58.43 | 64.87 | 72.25 | 72.25 | 72.25 | 9.1% | 78.80 | 83.70 | 88.91 |
| Total low income household bill: | 627.58 | 692.55 | 760.15 | 836.68 | 836.68 | 836.68 | 8.8% | 909.89 | 968.58 | 1,031.12 |
| Min: Indigent Subsidy | (203.55) | (441.23) | (475.90) | (514.79) | (514.79) | (514.79) | 10.6% | (569.52) | (608.67) | (650.54) |
| Total Payable | 424.03 | 251.32 | 284.25 | 321.89 | 321.89 | 321.89 | | 340.37 | 359.91 | 380.58 |
| % increase/-decrease | | 10.4% | 9.8% | 10.1% | 10.1% | 10.1% | | 8.8% | 6.5% | 6.5% |
| % increase indigent households | | (40.7%) | 13.1% | 13.2% | 13.2% | 13.2% | | 5.7% | 5.7% | 5.7% |
| Monthly Account for Household - Indigent | | | | | | | | | | |
| Household receiving free basic services | | | | | | | | | | |
| Rates and services charges: | | | | | | | | | | |
| Property rates | 14.58 | – | – | – | – | – | – | – | – | – |
| Electricity: Basic levy | – | – | – | – | – | – | – | – | – | – |
| Electricity: Consumption | 24.40 | 28.06 | 32.26 | 37.10 | 37.10 | 37.10 | 5.4% | 39.10 | 41.21 | 43.44 |
| Water: Basic levy | – | – | – | – | – | – | – | – | – | – |
| Water: Consumption | 40.30 | 43.90 | 47.00 | 50.34 | 50.34 | 50.34 | 7.0% | 53.86 | 57.63 | 61.67 |
| Sanitation | 56.10 | 61.15 | 64.82 | 69.36 | 69.36 | 69.36 | 7.0% | 74.22 | 79.41 | 84.97 |
| Refuse removal | 41.65 | 46.25 | 51.34 | 57.00 | 57.00 | 57.00 | 33.0% | 75.81 | 81.12 | 86.79 |
| Other | – | – | – | – | – | – | – | – | – | – |
| sub-total | 177.03 | 179.36 | 195.42 | 213.80 | 213.80 | 213.80 | 13.7% | 242.99 | 259.37 | 276.87 |
| VAT on Services | 22.74 | 25.10 | 27.36 | 29.93 | 29.93 | 29.93 | 13.7% | 34.02 | 36.31 | 38.76 |
| Total indigent household bill: | 199.77 | 204.46 | 222.78 | 243.73 | 243.73 | 243.73 | 13.7% | 277.01 | 295.68 | 315.63 |
| Min: Indigent Subsidy | (199.77) | (204.46) | (222.78) | (243.73) | (243.73) | (243.73) | 13.7% | (277.01) | (295.68) | (315.63) |
| Total Payable | – | – | – | – | – | – | | – | – | – |
| % increase/-decrease | | 2.3% | 9.0% | 9.4% | 9.4% | 9.4% | | 13.7% | 6.7% | 6.7% |
| % increase indigent households | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | | 0.0% | 0.0% | 0.0% |

1.5 Operating Expenditure Framework

The municipality's expenditure framework for the 2012/2013 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plans no budget*. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2012/2013 budget and MTREF (classified per main type of operating expenditure).

Table 13 Summary of operating expenditure by standard classification item

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | | |
|---------------------------------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|---------------|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | % | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | 96,273 | 107,418 | 139,826 | 147,989 | 155,182 | 155,182 | 170,182 | 40.6% | 178,157 | 190,587 |
| Remuneration of councillors | 4,545 | 4,977 | 5,334 | 6,488 | 6,857 | 6,857 | 7,303 | 1.7% | 7,733 | 8,143 |
| Debt impairment | 259 | 2,949 | 784 | 500 | 500 | 500 | 540 | 0.1% | 600 | 650 |
| Depreciation & asset impairment | 13,550 | 110,941 | 141,340 | 21,557 | 4,881 | 4,881 | 14,428 | 3.4% | 16,159 | 17,452 |
| Finance charges | 6,071 | 6,611 | 7,594 | 7,836 | 7,926 | 7,926 | 12,740 | 3.0% | 14,269 | 15,411 |
| Bulk purchases | 47,557 | 62,456 | 79,408 | 101,498 | 101,376 | 101,376 | 116,901 | 27.9% | 132,512 | 150,221 |
| Other materials | - | - | - | - | - | - | - | 0.0% | - | - |
| Contracted services | 14,203 | 6,419 | 10,120 | 9,412 | 10,106 | 10,106 | 9,510 | 2.3% | 9,376 | 9,875 |
| Transfers and grants | 421 | 590 | 855 | 545 | 621 | 621 | 583 | 0.1% | 641 | 705 |
| Other expenditure | 59,987 | 94,129 | 130,707 | 78,364 | 99,958 | 99,958 | 86,510 | 20.7% | 94,219 | 102,407 |
| Loss on disposal of PPE | - | - | - | - | - | - | - | 0.0% | - | - |
| Total Expenditure | 242,867 | 396,490 | 515,968 | 374,189 | 387,407 | 387,407 | 418,697 | 100.0% | 453,667 | 495,452 |

The budgeted allocation for employee related costs for the 2012/2013 financial year totals R 170.1 million, which equals 40.6% per cent of the total operating expenditure. No salary cost-of-living collective agreement for 2012/2013 and onwards exists and the municipality has budgeted for a cost-of-living increase of 5% as recommended by National Treasury in MFMA Circular No 59. An annual cost-of-living increase of 5.9% and 5.3% has been included in the two outer years of the MTREF. As part of the municipality's cost reprioritisation and cash management strategy vacancies have been significantly rationalised downwards. As part of the planning assumptions and interventions all vacancies were

originally removed from the budget and a report was compiled by the Corporate Services Department relating to the prioritisation of critical vacancies within the municipality. The outcome of this exercise was the inclusion of R 5.6 million in the 2012/2013 financial year relating to critical and strategically important vacancies. In addition expenditure against overtime was significantly reduced, with provisions against this budget item only being provided for emergency services and other critical functions.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the municipality's budget.

The provision of debt impairment was determined based on an annual collection rate of 98% for the 2010/2011 financial year and the Writing-Off of Irrecoverable Debt Policy of the municipality. This collection rate would have been 99.5% if government honoured their debt payments. For the first nine months of the current financial year the collection rate is 102.4% after government has come aboard in honouring some of their outstanding debt. For the 2012/2013 financial year this amount equates to R 540 thousand and escalates to R 650 thousand by 2014/2015. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R 14.4 million for the 2012/2013 financial and equates to 3.5% of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years. This additional off-setting depreciation amounts to R 137.9 million which is not included in the budget for tariff calculation purposes. However, the municipality can expect to generate an operating deficit when the 2012/2013 annual financial statements are compiled compliant with the Accounting Standards since this off-setting depreciation are reflected in the Statement of Financial Performance and not directly to the Statement of Changes in Net Assets.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 3.0% (R 12.7 million) of operating expenditure

excluding annual redemption for 2012/2013 and increases to R 15.4 million by 2014/2015. As previously noted, the municipality has reached its prudential limits for borrowing – hence the planned borrowing to finance the capital budget does not result in finance charges as a percentage of operational expenditure increasing – rather it is kept close to 3.1% over the MTREF.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from DWA. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

Other materials to be procured for the maintenance of the municipality's assets are included under other expenditure. This includes an amount of R 11.7 million for the 2012/2013 financial year and R 12.9 million and R 14.2 million for the two outer years of the MTREF.

Contracted services have been identified as a cost saving area for the municipality. As part of the compilation of the 2012/2013 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced. In the 2012/2013 financial year, this group of expenditure totals R 9.5 million and has decreased by 5.9% compared to the 2011/2012 adjustments budget, clearly demonstrating the application of cost efficiencies. For the two outer years growth has been limited to -1.4% and 3.8% compared with the 2012/2013 budget. As part of the process of identifying further cost efficiencies, a business process reengineering project will commence in the 2012/2013 financial year to identify alternative practices and procedures, including building in-house capacity for certain activities that are currently being contracted out. The outcome of this exercise will be factored into the next budget cycle and it is envisaged that additional cost savings will be implemented. Further details relating to contracted services can be seen in Table 64 MBRR SA1 ([see page 100](#)).

Other expenditure comprises of various line items relating to the daily operations of the municipality. As mentioned above it includes other materials for repair and maintenance of the municipality's assets. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Growth has been limited to -13.5% for 2012/2013 (repairs and maintenance costs that grows included) and curbed at 8.9% and 8.7% for the two outer years, indicating that significant cost savings have been already realised. Further details relating to contracted services can be seen in Table 64 MBRR SA1 ([see page 100](#)).

The following table gives a breakdown of the main expenditure categories for the 2012/2013 financial year.

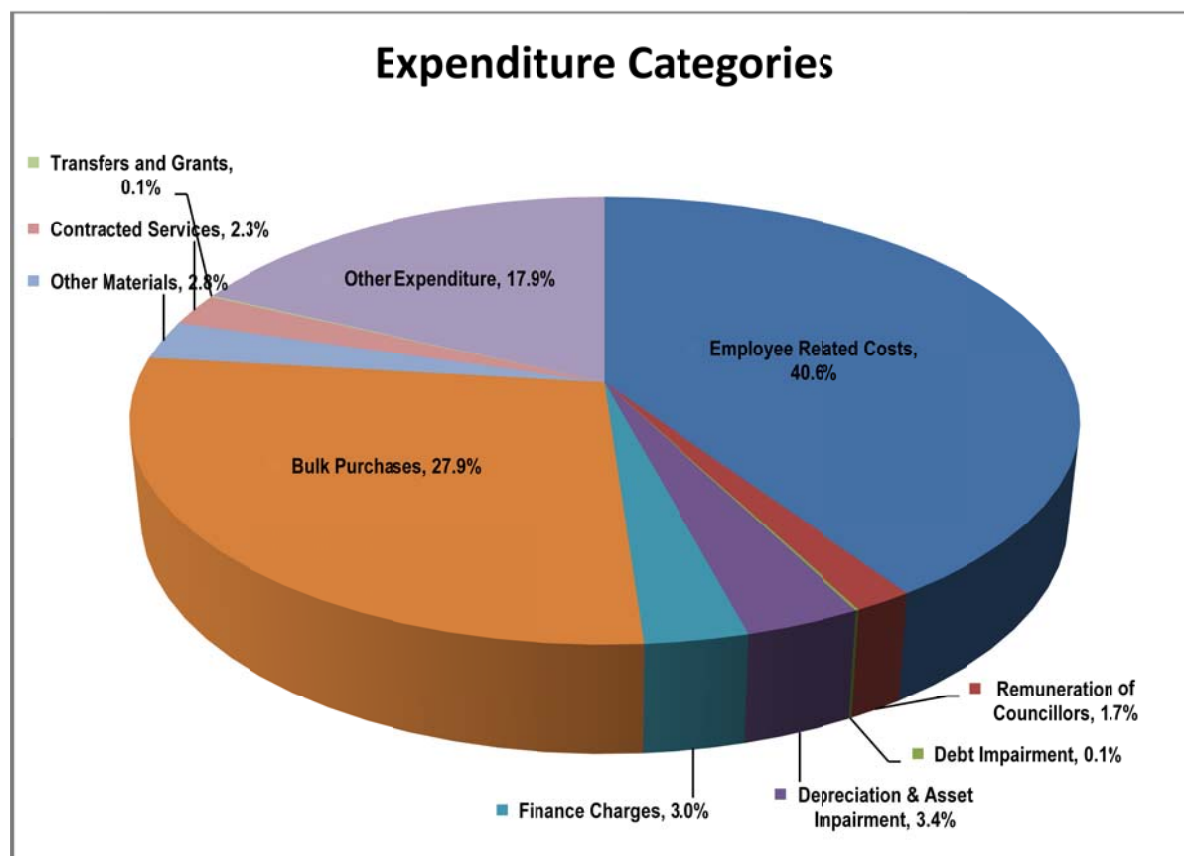


Figure 1 Main operational expenditure categories for the 2012/2013 financial year

1.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the municipality's current infrastructure, the 2012/2013 budget and MTREF provide for extensive growth in the area of asset maintenance (higher than the inflation rate), as informed by the asset renewal strategy and repairs and maintenance plan of the municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials, vehicle costs and contracted services.

Unfortunately the financial system of the municipality is set up in such a way that these costs cannot be calculated and allocated very easily to the different asset classes. Therefore the following table will only reflect other materials to be procured for repairs and maintenance purposes. The revised Table 14 gives a better picture of the consolidated cost drivers of all the expenditures associated with repairs and maintenance.

Table 14 Operational repairs and maintenance

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Repairs and Maintenance by Expenditure Item | | | | | | | | | |
| Employee related costs | - | - | - | - | - | - | - | - | - |
| Other materials | 8,053 | 8,436 | 10,462 | 11,106 | 10,920 | 10,920 | 11,752 | 12,927 | 14,219 |
| Contracted Services | - | - | - | - | - | - | - | - | - |
| Other Expenditure | - | - | - | - | - | - | - | - | - |
| Total Repairs and Maintenance Expenditure | 8,053 | 8,436 | 10,462 | 11,106 | 10,920 | 10,920 | 11,752 | 12,927 | 14,219 |

Revised Table 14 Operational repairs and maintenance

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Repairs and Maintenance by Expenditure Item | | | | | | | | | |
| Employee related costs | 31,147 | 33,960 | 41,746 | 43,181 | 45,790 | 45,790 | 47,838 | 51,415 | 54,969 |
| Transport Costs / Machine / Vehicle Hire | 6,459 | 7,502 | 5,750 | 7,204 | 8,764 | 8,764 | 9,640 | 10,122 | 10,628 |
| Contracted Services | - | - | - | - | 975 | 975 | 1,495 | 1,037 | 1,618 |
| Other Expenditure | 11,865 | 11,890 | 14,456 | 14,761 | 15,560 | 15,560 | 16,587 | 18,448 | 20,520 |
| Total Repairs and Maintenance Expenditure | 49,471 | 53,352 | 61,951 | 65,146 | 71,088 | 71,088 | 75,560 | 81,022 | 87,735 |

During the compilation of the 2010/2011 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the municipality's infrastructure. To this end, total repairs and maintenance was substantially increased by 16.1% per cent in the 2010/2011 financial year, from R 53.3 million to R 61.9 million. The 2011/2012 allocation slightly increased to R 65.1 million. However, during the 2011/2012 Adjustment Budget this allocation was increased to R 71.0 million resulting in an increase of 14.7% from 2010/2011 to 2011/2012. As part of the 2012/13 MTREF this strategic imperative remains a priority as can be seen by the budget appropriations over the MTREF. The total allocation for 2012/2013 equates to R 75.5 million a growth of 6.3% in relation to the 2011/2012 Adjustment Budget and continues to grow at 7.2% and 8.3% over the MTREF. In relation to the total operating expenditure, repairs and maintenance comprises of 18.0%, 17.8% and 17.7% for the respective financial years of the MTREF. Employee related costs

For the 2012/2013 financial year, 18.0% per cent or R 75.5 million of total repairs and maintenance will be spent on all assets. Table 15 below provides a breakdown of the repairs and maintenance (only other materials costs) in relation to asset class.

Water infrastructure has received a significant proportion of this allocation totalling 7.5% (R 878 thousand), followed by electricity infrastructure at 6.0% (R 707 thousand), roads and storm water at 195.8% (R 676 thousand) and sanitation at 1.8% (R 215 thousand). Community assets has been allocated R 484 thousand of repairs and maintenance costs equating to 4.1% while all other assets equates to R 8,791 million or 74.8%.

Table 15 Repairs and maintenance per asset class

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Repairs and maintenance expenditure by Asset Class/Sub-class | | | | | | | | | |
| Infrastructure | 1,255 | 1,217 | 1,492 | 2,086 | 2,281 | 2,281 | 2,525 | 2,777 | 3,055 |
| Infrastructure - Road transport | 394 | 302 | 359 | 514 | 571 | 571 | 676 | 743 | 818 |
| Infrastructure - Electricity | 362 | 482 | 695 | 726 | 728 | 728 | 707 | 778 | 856 |
| Infrastructure - Water | 406 | 393 | 338 | 643 | 800 | 800 | 878 | 966 | 1,062 |
| Infrastructure - Sanitation | 85 | 40 | 81 | 178 | 136 | 136 | 215 | 237 | 261 |
| Infrastructure - Other | 9 | 1 | 20 | 25 | 45 | 45 | 48 | 53 | 59 |
| Community | 254 | 289 | 403 | 462 | 432 | 432 | 484 | 532 | 586 |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Investment properties | - | - | - | - | - | - | - | - | - |
| Other assets | 6,544 | 6,929 | 8,567 | 8,558 | 8,207 | 8,207 | 8,743 | 9,618 | 10,579 |
| Agricultural assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Intangibles | - | - | - | - | - | - | - | - | - |
| Total Repairs and Maintenance Expenditure | 8,053 | 8,436 | 10,462 | 11,106 | 10,920 | 10,920 | 11,752 | 12,927 | 14,219 |

1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the municipality's Indigent Policy. The target is to register 10,600 or more indigent households (43.5% of all households) during the 2012/2013 financial year, a process reviewed annually. Detail relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement) on [page 38](#).

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

1.6 Capital expenditure

The following table provides a breakdown of budgeted single- and multi-year capital expenditure by vote. For 2012/2013 an amount of R 77.7 million has been appropriated for investment in property, plant and equipment. In the outer years this amount totals R 52.2 million and R 58.2 million respectively for each of the financial years. Technical Services receives the highest allocation of R 73.2 million in 2012/2013 which equates to 94.3% of the capital budget.

Table 16 2011/12 Medium-term capital budget per vote

| Vote Description / R thousand | Current Year 2011/12 | | 2012/13 Medium Term Revenue & Expenditure Framework | | | | | |
|---|----------------------|---------------|---|---------------|------------------------|---------------|------------------------|---------------|
| | Adjusted Budget | % | Budget Year 2012/13 | % | Budget Year +1 2013/14 | % | Budget Year +2 2014/15 | % |
| Capital expenditure - Vote | | | | | | | | |
| <i>Multi-year expenditure to be appropriated</i> | | | | | | | | |
| Vote 1 - MUNICIPAL MANAGER | 260 | 0.2% | 3,310 | 4.3% | 2,800 | 5.4% | 2,800 | 4.8% |
| Vote 2 - CORPORATE SERVICES | 1,444 | 1.4% | - | 0.0% | - | 0.0% | 17,568 | 30.2% |
| Vote 3 - FINANCIAL SERVICES | - | 0.0% | - | 0.0% | - | 0.0% | - | 0.0% |
| Vote 4 - DEVELOPMENT SERVICES | - | 0.0% | - | 0.0% | 978 | 1.9% | 4,076 | 7.0% |
| Vote 5 - TECHNICAL SERVICES | 21,252 | 20.0% | 56,001 | 72.1% | 22,616 | 43.2% | 14,404 | 24.7% |
| Capital multi-year expenditure sub-total | 22,955 | 21.6% | 59,311 | 76.3% | 26,394 | 50.5% | 38,848 | 66.7% |
| <i>Single-year expenditure to be appropriated</i> | | 0.0% | | 0.0% | | 0.0% | | 0.0% |
| Vote 1 - MUNICIPAL MANAGER | 1,880 | 1.8% | 1,150 | 1.5% | 1,545 | 3.0% | 1,940 | 3.3% |
| Vote 2 - CORPORATE SERVICES | 823 | 0.8% | - | 0.0% | - | 0.0% | - | 0.0% |
| Vote 3 - FINANCIAL SERVICES | 87 | 0.1% | - | 0.0% | - | 0.0% | - | 0.0% |
| Vote 4 - DEVELOPMENT SERVICES | 9,693 | 9.1% | - | 0.0% | 5,644 | 10.8% | - | 0.0% |
| Vote 5 - TECHNICAL SERVICES | 70,898 | 66.7% | 17,257 | 22.2% | 18,712 | 35.8% | 17,466 | 30.0% |
| Capital single-year expenditure sub-total | 83,381 | 78.4% | 18,407 | 23.7% | 25,901 | 49.5% | 19,406 | 33.3% |
| Total Capital Expenditure - Vote | 106,336 | 100.0% | 77,718 | 100.0% | 52,295 | 100.0% | 58,254 | 100.0% |

New assets represent 97.1% or R 75.4 million of the total capital budget while asset renewal equates to 2.9% or R 2.3 million. Further detail relating to asset classes and proposed capital expenditure is contained in Table 26 MBRR A9 (Asset Management) on [page 36](#). In addition to the MBRR Table A9, MBRR Tables SA34a, b and c provides a detailed breakdown of the capital programme relating to new asset construction; capital asset renewal as well as operational repairs and maintenance by asset class (refer to [pages 88, 89 and 90](#)).

Some of the salient projects to be undertaken over the medium-term includes, amongst others:

- Connection road over the railway line between Rosedale and Paballelo – R 19.9 million;
- Kalksloot access road – R 2.0 million;
- Leseding access road – R 1.8 million;
- Raaswater access road – R 1.9 million;
- Lengthen and tar of Dakota Road for heavy vehicles – R 12.2 million;
- Paving of streets in Paballelo – R 4.3 million;
- Upgrading of CBD storm water system – R 2.3 million;
- Extension of Louisvale Road sewerage works – R 3.7 million;
- Replacement of vehicle fleet – R 19.6 million;
- Enlargement of main sewerage drainage line through Rosedale – R 8.5 million;
- Electrical distribution network for Cape Town Housing Project – R 9.1 million;

- Electrification projects for new developments (500 connections in Paballelo, 324 connections in Smartie Valley, 350 connections in Rosedale North, 455 connections in Rosedale West and 475 connections in Rosedale South) – R 33.6 million;
- Upgrade main supply network and connection to Delta Substation – R 1.1 million;
- Algae tanks and filters at Abraham Holbors Water Treatment Works – R 8.2 million; and
- Civil services infrastructure for the Cape Town Housing Project – R 7.8 million.

Furthermore [pages 92 to 96](#) contain a detail breakdown of the capital budget per project over the medium-term.

The following graph provides a breakdown of the capital budget spent over the last three years and the capital expenditure to be spent on infrastructure related projects over the MTREF. Please note that the amounts in the graph represent millions of Rand.

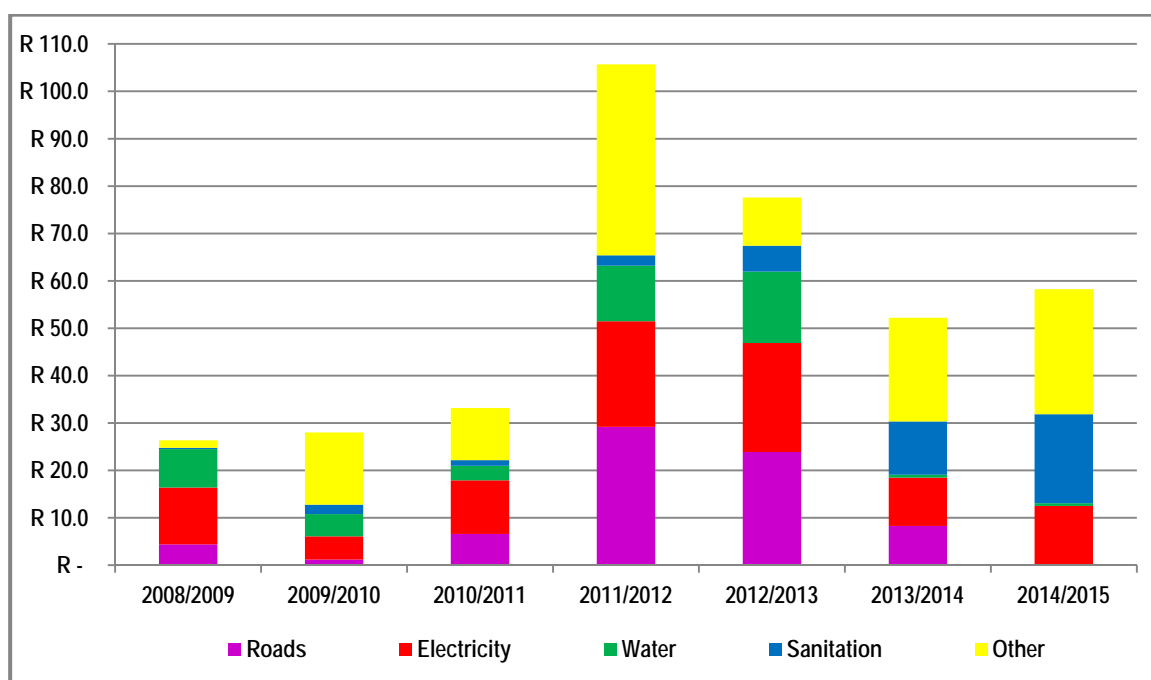


Figure 2 Capital Infrastructure Programme

1.6.1 Future operational cost of new infrastructure

The future operational costs and revenues associated with the capital programme have been included in Table 61 MBRR SA35 on page 91. This concomitant operational expenditure is expected to escalate as new capital projects are implemented. It needs to be noted that as part of the 2012/2013 MTREF, this expenditure has been factored into the two outer years of the operational budget.

1.7 Annual Budget Tables - Parent Municipality

The following **eighteen pages** present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2012/2013 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes*.

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF.
 - b. Capital expenditure is balanced by capital funding sources, of which:
 - Transfers recognised is reflected on the Financial Performance Budget;
 - Borrowing is incorporated in the net cash from financing on the Cash Flow Budget; and
 - Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing / surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and

consequently many of its obligations are not cash-backed. This places the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. Consequently Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the recently adopted Funding and Reserves Policy. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations. It is anticipated that the goal of having all obligations cash-back will be achieved by 2013/14, when a small surplus is reflected.

Table 17 MBRR Table A1 - Budget Summary

| Description / R thousands | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|-----------------|------------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Financial Performance | | | | | | | | | |
| Property rates | 32,185 | 34,970 | 38,104 | 40,858 | 41,934 | 41,934 | 48,654 | 52,081 | 55,750 |
| Service charges | 142,984 | 173,988 | 212,552 | 251,338 | 255,657 | 255,657 | 284,996 | 312,707 | 343,211 |
| Investment revenue | 2,428 | 2,428 | 856 | 1,500 | 512 | 512 | 1,512 | 1,588 | 1,667 |
| Transfers recognised - operational | 36,621 | 70,322 | 81,733 | 58,796 | 61,716 | 61,716 | 66,551 | 68,690 | 74,426 |
| Other own revenue | 15,030 | 15,659 | 15,852 | 17,136 | 17,245 | 17,245 | 18,540 | 20,306 | 22,243 |
| Total Revenue (excluding capital transfers and contributions) | 229,249 | 297,367 | 349,098 | 369,628 | 377,064 | 377,064 | 420,253 | 455,372 | 497,298 |
| Employee costs | 96,273 | 107,418 | 139,826 | 147,989 | 155,182 | 155,182 | 170,182 | 178,157 | 190,587 |
| Remuneration of councillors | 4,545 | 4,977 | 5,334 | 6,488 | 6,857 | 6,857 | 7,303 | 7,733 | 8,143 |
| Depreciation & asset impairment | 13,550 | 110,941 | 141,340 | 21,557 | 4,881 | 4,881 | 14,428 | 16,159 | 17,452 |
| Finance charges | 6,071 | 6,611 | 7,594 | 7,836 | 7,926 | 7,926 | 12,740 | 14,269 | 15,411 |
| Materials and bulk purchases | 47,557 | 62,456 | 79,408 | 101,498 | 101,376 | 101,376 | 116,901 | 132,512 | 150,221 |
| Transfers and grants | 421 | 590 | 855 | 545 | 621 | 621 | 583 | 641 | 705 |
| Other expenditure | 74,450 | 103,498 | 141,610 | 88,276 | 110,564 | 110,564 | 96,560 | 104,194 | 112,933 |
| Total Expenditure | 242,867 | 396,490 | 515,968 | 374,189 | 387,407 | 387,407 | 418,697 | 453,667 | 495,452 |
| Surplus/(Deficit) | (13,618) | (99,123) | (166,870) | (4,561) | (10,343) | (10,343) | 1,556 | 1,706 | 1,846 |
| Transfers recognised - capital | 14,460 | 9,179 | 8,719 | 69,579 | 36,794 | 36,794 | 32,125 | 24,421 | 27,385 |
| Contributions recognised - capital & contributed assets | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | 842 | (89,943) | (158,151) | 65,018 | 26,451 | 26,451 | 33,681 | 26,127 | 29,231 |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) for the year | 842 | (89,943) | (158,151) | 65,018 | 26,451 | 26,451 | 33,681 | 26,127 | 29,231 |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | 26,479 | 28,179 | 33,313 | 154,277 | 106,336 | 106,336 | 77,718 | 52,295 | 58,254 |
| Transfers recognised - capital | 14,460 | 9,179 | 8,719 | 69,579 | 36,794 | 36,794 | 32,125 | 24,421 | 27,385 |
| Public contributions & donations | - | - | - | - | - | - | - | - | - |
| Borrowing | 7,592 | 12,450 | 15,541 | 77,698 | 64,249 | 64,249 | 41,593 | 23,473 | 26,069 |
| Internally generated funds | 4,427 | 6,550 | 9,054 | 7,000 | 5,293 | 5,293 | 5,293 | 4,400 | 4,800 |
| Total sources of capital funds | 26,479 | 28,179 | 33,313 | 154,277 | 106,336 | 106,336 | 77,718 | 52,295 | 58,254 |
| Financial position | | | | | | | | | |
| Total current assets | 51,658 | 54,530 | 49,129 | 36,611 | 42,473 | 42,473 | 44,673 | 49,548 | 54,648 |
| Total non current assets | 161,097 | 2,384,153 | 2,276,124 | 2,564,820 | 2,377,576 | 2,377,576 | 2,440,866 | 2,477,002 | 2,517,804 |
| Total current liabilities | 99,687 | 50,282 | 61,313 | 55,000 | 83,820 | 83,820 | 81,432 | 82,047 | 83,645 |
| Total non current liabilities | 60,400 | 83,783 | 117,404 | 173,453 | 163,243 | 163,243 | 197,440 | 211,708 | 226,782 |
| Community wealth/Equity | 52,668 | 2,304,617 | 2,146,536 | 2,372,978 | 2,172,987 | 2,172,987 | 2,206,668 | 2,232,794 | 2,262,025 |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | 24,301 | 24,782 | 5,212 | 76,473 | 47,367 | 47,367 | 42,065 | 41,496 | 47,435 |
| Net cash from (used) investing | (24,785) | (33,773) | (33,331) | (152,464) | (104,547) | (104,547) | (78,718) | (53,295) | (58,254) |
| Net cash from (used) financing | 37,736 | 2,623 | 16,075 | 74,513 | 64,613 | 64,613 | 34,293 | 13,173 | 14,269 |
| Cash/cash equivalents at the year end | 23,344 | 16,977 | 4,932 | 12,248 | 12,366 | 12,366 | 10,006 | 11,381 | 14,831 |
| Cash backing/surplus reconciliation | | | | | | | | | |
| Cash and investments available | 23,344 | 22,682 | 10,695 | 16,248 | 16,366 | 16,366 | 15,006 | 17,381 | 20,831 |
| Application of cash and investments | 4,686 | 10,909 | 12,367 | 6,119 | 28,944 | 28,944 | 21,764 | 19,022 | 17,613 |
| Balance - surplus (shortfall) | 18,659 | 11,773 | (1,671) | 10,129 | (12,578) | (12,578) | (6,758) | (1,642) | 3,217 |
| Asset management | | | | | | | | | |
| Asset register summary (WDV) | 161,052 | 2,384,148 | 2,276,121 | 2,564,820 | 2,377,576 | 2,377,576 | 2,440,866 | 2,477,002 | 2,517,804 |
| Depreciation & asset impairment | 13,550 | 110,941 | 141,340 | 21,557 | 4,881 | 4,881 | 14,428 | 16,159 | 17,452 |
| Renewal of Existing Assets | - | - | - | 9,230 | 12,420 | 12,420 | 2,280 | 7,592 | 300 |
| Repairs and Maintenance | 8,053 | 8,436 | 10,462 | 11,106 | 10,920 | 10,920 | 11,752 | 12,927 | 14,219 |
| Free services | | | | | | | | | |
| Cost of Free Basic Services provided | 14,508 | 12,555 | 16,117 | 16,370 | 19,155 | 19,155 | 20,499 | 21,937 | 23,479 |
| Revenue cost of free services provided | 14,565 | 13,573 | 17,461 | 17,826 | 20,613 | 20,613 | 22,059 | 23,590 | 25,232 |
| Households below minimum service level | | | | | | | | | |
| Water: | 0 | 0 | 0 | - | - | - | - | - | - |
| Sanitation/sewerage: | 2 | 2 | 2 | 3 | 3 | 3 | 3 | 4 | 4 |
| Energy: | 1 | 1 | 0 | 1 | 1 | 1 | 1 | 1 | 1 |
| Refuse: | - | - | - | - | - | - | - | - | - |

5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs except for the case of eradicating the bucket systems. Government assistance and allocations through the housing programme is slow and unacceptable.

**Table 18 MBRR Table A2 - Budgeted Financial Performance
(Revenue and expenditure by standard classification)**

| Standard Classification Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|-----------------|------------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Revenue - Standard | | | | | | | | | |
| <i>Governance and administration</i> | 76,492 | 83,558 | 93,531 | 171,032 | 138,519 | 138,519 | 146,700 | 146,145 | 158,739 |
| Executive and council | 26,957 | 34,974 | 38,105 | 40,859 | 41,947 | 41,947 | 48,654 | 52,082 | 55,751 |
| Budget and treasury office | 48,154 | 47,729 | 54,591 | 129,256 | 95,322 | 95,322 | 96,757 | 92,679 | 101,500 |
| Corporate services | 1,381 | 854 | 835 | 917 | 1,250 | 1,250 | 1,288 | 1,384 | 1,488 |
| <i>Community and public safety</i> | 22,788 | 47,790 | 49,721 | 15,995 | 17,843 | 17,843 | 17,167 | 18,653 | 20,268 |
| Community and social services | 544 | 1,328 | 884 | 836 | 624 | 624 | 1,279 | 1,391 | 1,511 |
| Sport and recreation | 4,645 | 5,330 | 3,994 | 5,331 | 5,148 | 5,148 | 5,650 | 6,215 | 6,836 |
| Public safety | 6,263 | 5,780 | 6,717 | 7,332 | 6,991 | 6,991 | 7,421 | 8,163 | 8,980 |
| Housing | 5,232 | 34,225 | 37,006 | 1,300 | 3,893 | 3,893 | 1,600 | 1,600 | 1,600 |
| Health | 6,104 | 1,126 | 1,119 | 1,196 | 1,187 | 1,187 | 1,216 | 1,283 | 1,341 |
| <i>Economic and environmental services</i> | 781 | 865 | 1,697 | 703 | 1,441 | 1,441 | 2,019 | 2,167 | 2,331 |
| Planning and development | 621 | 707 | 1,114 | 518 | 752 | 752 | 1,810 | 1,937 | 2,078 |
| Road transport | 161 | 158 | 582 | 185 | 689 | 689 | 209 | 230 | 253 |
| Environmental protection | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | 143,647 | 174,334 | 212,857 | 251,475 | 256,054 | 256,054 | 286,492 | 312,829 | 343,346 |
| Electricity | 84,484 | 108,228 | 142,047 | 173,807 | 174,937 | 174,937 | 194,192 | 215,546 | 239,248 |
| Water | 31,045 | 34,510 | 36,053 | 40,395 | 40,572 | 40,572 | 43,414 | 46,455 | 49,709 |
| Waste water management | 16,991 | 19,044 | 20,367 | 21,534 | 23,508 | 23,508 | 26,227 | 26,583 | 28,446 |
| Waste management | 11,127 | 12,552 | 14,390 | 15,739 | 17,037 | 17,037 | 22,659 | 24,245 | 25,942 |
| <i>Other</i> | 0 | 1 | 10 | 1 | 1 | 1 | 1 | 0 | 0 |
| Total Revenue - Standard | 243,709 | 306,547 | 357,817 | 439,207 | 413,858 | 413,858 | 452,378 | 479,793 | 524,683 |
| Expenditure - Standard | | | | | | | | | |
| <i>Governance and administration</i> | 66,149 | 156,168 | 228,268 | 85,912 | 102,173 | 102,173 | 105,827 | 111,460 | 120,961 |
| Executive and council | 16,363 | 107,453 | 158,832 | 14,877 | 31,430 | 31,430 | 23,948 | 21,205 | 22,839 |
| Budget and treasury office | 30,762 | 30,718 | 30,342 | 31,306 | 35,927 | 35,927 | 37,047 | 40,198 | 43,158 |
| Corporate services | 19,023 | 17,997 | 39,094 | 39,730 | 34,815 | 34,815 | 44,831 | 50,057 | 54,964 |
| <i>Community and public safety</i> | 41,141 | 73,483 | 85,428 | 56,325 | 61,433 | 61,433 | 62,551 | 67,264 | 72,021 |
| Community and social services | 2,899 | 2,976 | 4,411 | 5,499 | 7,156 | 7,156 | 6,167 | 6,634 | 7,105 |
| Sport and recreation | 17,913 | 19,901 | 23,710 | 25,252 | 25,799 | 25,799 | 28,940 | 31,098 | 33,276 |
| Public safety | 11,545 | 13,187 | 16,120 | 18,311 | 17,155 | 17,155 | 19,162 | 20,640 | 22,138 |
| Housing | 5,779 | 33,909 | 37,019 | 2,723 | 6,581 | 6,581 | 3,048 | 3,273 | 3,498 |
| Health | 3,004 | 3,510 | 4,167 | 4,541 | 4,742 | 4,742 | 5,234 | 5,620 | 6,005 |
| <i>Economic and environmental services</i> | 16,357 | 16,036 | 22,652 | 23,783 | 24,308 | 24,308 | 25,227 | 27,089 | 27,845 |
| Planning and development | 5,997 | 5,847 | 9,592 | 10,776 | 11,597 | 11,597 | 10,676 | 11,395 | 12,203 |
| Road transport | 10,360 | 10,189 | 13,060 | 13,007 | 12,711 | 12,711 | 14,551 | 15,694 | 15,642 |
| Environmental protection | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | 118,034 | 149,624 | 178,142 | 206,482 | 197,840 | 197,840 | 223,374 | 246,005 | 272,640 |
| Electricity | 64,630 | 83,330 | 106,737 | 130,517 | 125,392 | 125,392 | 143,961 | 161,904 | 181,842 |
| Water | 22,783 | 27,673 | 31,210 | 32,615 | 29,500 | 29,500 | 32,516 | 34,603 | 37,641 |
| Waste water management | 13,991 | 17,712 | 19,238 | 20,841 | 20,544 | 20,544 | 24,350 | 25,534 | 27,749 |
| Waste management | 16,631 | 20,908 | 20,957 | 22,510 | 22,404 | 22,404 | 22,547 | 23,964 | 25,408 |
| <i>Other</i> | 1,186 | 1,179 | 1,478 | 1,686 | 1,653 | 1,653 | 1,718 | 1,848 | 1,985 |
| Total Expenditure - Standard | 242,867 | 396,490 | 515,968 | 374,189 | 387,407 | 387,407 | 418,697 | 453,667 | 495,452 |
| Surplus/(Deficit) for the year | 842 | (89,943) | (158,151) | 65,018 | 26,451 | 26,451 | 33,681 | 26,127 | 29,231 |

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is the case for Electricity, Water and Waste Water Management functions, but not the Waste Management function. For the first time the Waste Management function's operating revenue will exceed the operating expenditure.
4. Other functions that show a deficit between revenue and expenditure are being financed through the trading services profit, from rates revenues and other revenue sources reflected in the table.

**Table 19 MBRR Table A3 - Budgeted Financial Performance
(Revenue and expenditure by municipal vote)**

| Vote Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|------------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Revenue by Vote | | | | | | | | | |
| Vote 1 - MUNICIPAL MANAGER | 31,532 | 40,365 | 41,778 | 45,920 | 46,858 | 46,858 | 53,876 | 57,825 | 62,068 |
| Vote 2 - CORPORATE SERVICES | 1,031 | 914 | 879 | 960 | 1,376 | 1,376 | 1,392 | 1,498 | 1,614 |
| Vote 3 - FINANCIAL SERVICES | 48,724 | 47,864 | 54,725 | 129,256 | 95,322 | 95,322 | 96,757 | 92,679 | 101,500 |
| Vote 4 - DEVELOPMENT SERVICES | 25,392 | 22,759 | 25,504 | 27,119 | 28,435 | 28,435 | 35,395 | 38,109 | 41,022 |
| Vote 5 - TECHNICAL SERVICES | 137,030 | 194,645 | 234,930 | 235,952 | 241,866 | 241,866 | 264,958 | 289,683 | 318,479 |
| Total Revenue by Vote | 243,709 | 306,547 | 357,817 | 439,207 | 413,858 | 413,858 | 452,378 | 479,793 | 524,683 |
| Expenditure by Vote to be appropriated | | | | | | | | | |
| Vote 1 - MUNICIPAL MANAGER | 23,648 | 116,239 | 174,156 | 31,561 | 49,964 | 49,964 | 42,656 | 41,456 | 44,644 |
| Vote 2 - CORPORATE SERVICES | 10,580 | 9,698 | 14,601 | 16,646 | 16,583 | 16,583 | 16,787 | 18,375 | 19,866 |
| Vote 3 - FINANCIAL SERVICES | 30,936 | 30,854 | 30,467 | 31,306 | 35,927 | 35,927 | 37,047 | 40,198 | 43,158 |
| Vote 4 - DEVELOPMENT SERVICES | 55,372 | 65,399 | 77,808 | 85,974 | 85,934 | 85,934 | 93,366 | 100,047 | 106,796 |
| Vote 5 - TECHNICAL SERVICES | 122,331 | 174,300 | 218,936 | 208,702 | 198,999 | 198,999 | 228,842 | 253,591 | 280,988 |
| Total Expenditure by Vote | 242,867 | 396,490 | 515,968 | 374,189 | 387,407 | 387,407 | 418,697 | 453,667 | 495,452 |
| Surplus/(Deficit) for the year | 842 | (89,943) | (158,151) | 65,018 | 26,451 | 26,451 | 33,681 | 26,127 | 29,231 |

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.

The following table is an analysis of the surplus or deficit for the electricity and water trading services.

1. The electricity trading surplus is deteriorating over the 2012/2013 MTREF from 28.3% R 49.5 million in 2011/2012 to 24.0% by 2014/2015. This is primarily as a result of the high increases in Eskom bulk purchases and the tariff setting policy of the municipality and NERSA to buffer the impact of these increases on individual consumers.
2. The surplus on the water account remains relatively constant over the MTREF translating into a surplus of 25.1%, 25.5% and 24.3% for each of the respective financial years.
3. Note that the surpluses on these trading accounts are utilised as an internal funding source for the capital programme for asset renewal, refurbishment and the development of new asset infrastructure, *and to cross-subsidise other municipal services.*

Table 20 Surplus/(Deficit) calculations for the trading services

| Standard Classification Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Electricity | | | | | | | | | |
| Total Revenue (Including capital grants and transfers) | 84,484 | 108,228 | 142,047 | 173,807 | 174,937 | 174,937 | 194,192 | 215,546 | 239,248 |
| Operating Expenditure | 64,630 | 83,330 | 106,737 | 130,517 | 125,392 | 125,392 | 143,961 | 161,904 | 181,842 |
| Surplus/(Deficit) for the year | 19,855 | 24,897 | 35,310 | 43,291 | 49,545 | 49,545 | 50,231 | 53,642 | 57,406 |
| Percentage Surplus | 23.5% | 23.0% | 24.9% | 24.9% | 28.3% | 28.3% | 25.9% | 24.9% | 24.0% |
| Water | | | | | | | | | |
| Total Revenue (Including capital grants and transfers) | 31,045 | 34,510 | 36,053 | 40,395 | 40,572 | 40,572 | 43,414 | 46,455 | 49,709 |
| Operating Expenditure | 22,783 | 27,673 | 31,210 | 32,615 | 29,500 | 29,500 | 32,516 | 34,603 | 37,641 |
| Surplus/(Deficit) for the year | 8,262 | 6,837 | 4,844 | 7,779 | 11,072 | 11,072 | 10,897 | 11,852 | 12,068 |
| Percentage Surplus | 26.6% | 19.8% | 13.4% | 19.3% | 27.3% | 27.3% | 25.1% | 25.5% | 24.3% |

Table 21 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|-----------------|------------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Revenue By Source | | | | | | | | | |
| Property rates | 32,185 | 34,970 | 38,104 | 40,858 | 41,934 | 41,934 | 48,654 | 52,081 | 55,750 |
| Property rates - penalties & collection charges | - | - | - | - | - | - | - | - | - |
| Service charges - electricity revenue | 84,342 | 108,081 | 141,879 | 173,675 | 174,834 | 174,834 | 194,082 | 215,425 | 239,115 |
| Service charges - water revenue | 30,526 | 34,312 | 35,927 | 40,390 | 40,571 | 40,571 | 43,412 | 46,454 | 49,708 |
| Service charges - sanitation revenue | 16,990 | 19,044 | 20,356 | 21,534 | 23,215 | 23,215 | 24,842 | 26,583 | 28,446 |
| Service charges - refuse revenue | 11,127 | 12,552 | 14,390 | 15,739 | 17,037 | 17,037 | 22,659 | 24,245 | 25,942 |
| Service charges - other | - | - | - | - | - | - | - | - | - |
| Rental of facilities and equipment | 5,012 | 5,754 | 4,404 | 5,736 | 5,637 | 5,637 | 6,192 | 6,812 | 7,493 |
| Interest earned - external investments | 2,428 | 2,428 | 856 | 1,500 | 512 | 512 | 1,512 | 1,588 | 1,667 |
| Interest earned - outstanding debtors | 1,401 | 1,791 | 2,123 | 2,200 | 2,638 | 2,638 | 2,902 | 3,106 | 3,323 |
| Dividends received | - | - | - | - | - | - | - | - | - |
| Fines | 1,691 | 1,001 | 1,386 | 1,890 | 1,519 | 1,519 | 1,611 | 1,772 | 1,949 |
| Licences and permits | 1,445 | 1,232 | 1,554 | 1,527 | 1,575 | 1,575 | 1,669 | 1,836 | 2,020 |
| Agency services | 2,456 | 2,830 | 3,075 | 3,141 | 3,221 | 3,221 | 3,415 | 3,756 | 4,132 |
| Transfers recognised - operational | 36,621 | 70,322 | 81,733 | 58,796 | 61,716 | 61,716 | 66,551 | 68,690 | 74,426 |
| Other revenue | 2,321 | 2,980 | 3,263 | 2,592 | 2,654 | 2,654 | 2,751 | 3,025 | 3,327 |
| Gains on disposal of PPE | 705 | 71 | 48 | 50 | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | 229,249 | 297,367 | 349,098 | 369,628 | 377,064 | 377,064 | 420,253 | 455,372 | 497,298 |
| Expenditure By Type | | | | | | | | | |
| Employee related costs | 96,273 | 107,418 | 139,826 | 147,989 | 155,182 | 155,182 | 170,182 | 178,157 | 190,587 |
| Remuneration of councillors | 4,545 | 4,977 | 5,334 | 6,488 | 6,857 | 6,857 | 7,303 | 7,733 | 8,143 |
| Debt impairment | 259 | 2,949 | 784 | 500 | 500 | 500 | 540 | 600 | 650 |
| Depreciation & asset impairment | 13,550 | 110,941 | 141,340 | 21,557 | 4,881 | 4,881 | 14,428 | 16,159 | 17,452 |
| Finance charges | 6,071 | 6,611 | 7,594 | 7,836 | 7,926 | 7,926 | 12,740 | 14,269 | 15,411 |
| Bulk purchases | 47,557 | 62,456 | 79,408 | 101,498 | 101,376 | 101,376 | 116,901 | 132,512 | 150,221 |
| Other materials | - | - | - | - | - | - | - | - | - |
| Contracted services | 14,203 | 6,419 | 10,120 | 9,412 | 10,106 | 10,106 | 9,510 | 9,376 | 9,875 |
| Transfers and grants | 421 | 590 | 855 | 545 | 621 | 621 | 583 | 641 | 705 |
| Other expenditure | 59,987 | 94,129 | 130,707 | 78,364 | 99,958 | 99,958 | 86,510 | 94,219 | 102,407 |
| Loss on disposal of PPE | - | - | - | - | - | - | - | - | - |
| Total Expenditure | 242,867 | 396,490 | 515,968 | 374,189 | 387,407 | 387,407 | 418,697 | 453,667 | 495,452 |
| Surplus/(Deficit) | (13,618) | (99,123) | (166,870) | (4,561) | (10,343) | (10,343) | 1,556 | 1,706 | 1,846 |
| Transfers recognised - capital | 14,460 | 9,179 | 8,719 | 69,579 | 36,794 | 36,794 | 32,125 | 24,421 | 27,385 |
| Contributions recognised - capital | - | - | - | - | - | - | - | - | - |
| Contributed assets | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | 842 | (89,943) | (158,151) | 65,018 | 26,451 | 26,451 | 33,681 | 26,127 | 29,231 |
| Taxation | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after taxation | 842 | (89,943) | (158,151) | 65,018 | 26,451 | 26,451 | 33,681 | 26,127 | 29,231 |
| Attributable to minorities | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | 842 | (89,943) | (158,151) | 65,018 | 26,451 | 26,451 | 33,681 | 26,127 | 29,231 |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) for the year | 842 | (89,943) | (158,151) | 65,018 | 26,451 | 26,451 | 33,681 | 26,127 | 29,231 |

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue is R 420.2 million in 2012/2013 and escalates to R 497.2 million by 2014/2015. This represents a year-on-year increase of 8.4% for the 2013/2014 financial year and 9.2% for the 2014/2015 financial year.
2. Revenue to be generated from property rates is R 48.6 million in the 2012/2013 financial year and increases to R 55.7 million by 2014/2015 which represents 11.2% of the operating revenue base of the municipality and therefore remains a significant

funding source for the municipality. It remains relatively constant over the medium-term and tariff increases have been factored in at 8%, 7% and 7% for each of the respective financial years of the MTREF.

3. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the municipality totalling R 284.9 million for the 2012/2013 financial year and increasing to R 343.2 million by 2014/2015. For the 2012/2013 financial year services charges amount to 67.8% of the total revenue base and grows by about 0.6% per annum over the medium-term. This growth can mainly be attributed to the increase in the bulk prices of electricity and water.
4. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are growing over the MTREF by 7.8%, 3.2% and 8.4%. The percentage share of this revenue source declines due to the more rapid relative growth in service charge revenues.

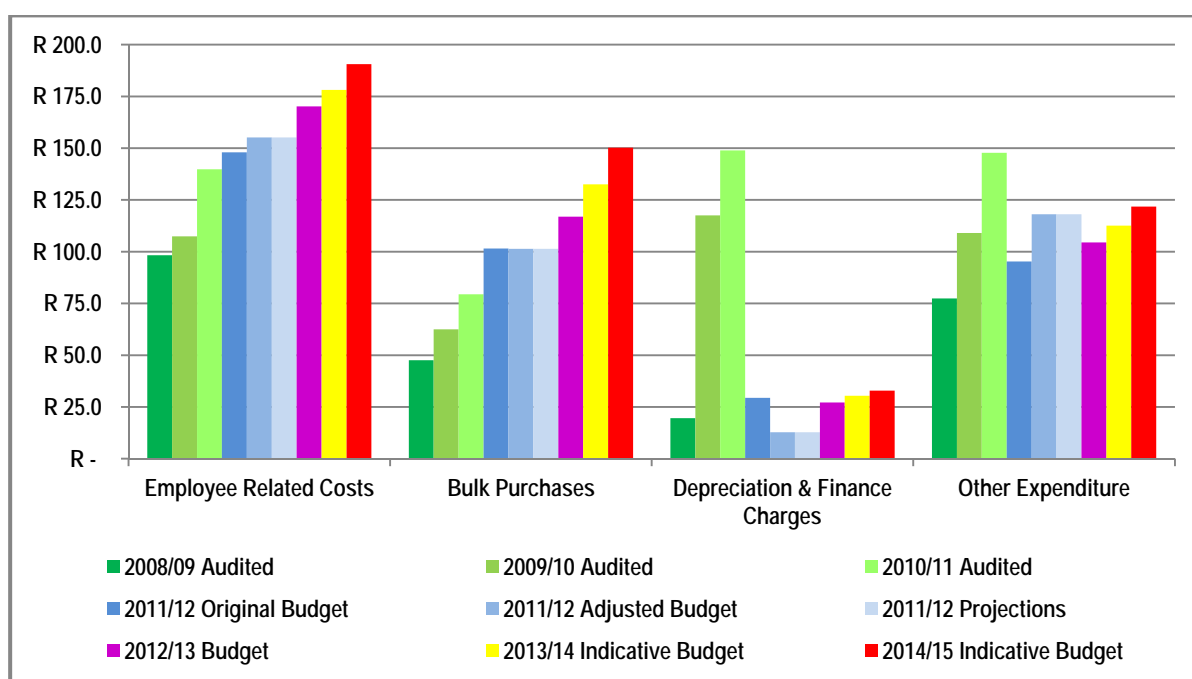


Figure 3 Expenditure by major type

The graph above illustrates the major expenditure items per type. Please note that the amounts in the graph represent millions of rand.

1. Bulk purchases have significantly increased over the 2008/2009 to 2014/2015 period escalating from R 47.5 million to R 150.2 million. These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom.
2. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.
3. Off-setting depreciation, due to the implementation of the GRAP Accounting Standards on the municipality's assets, that has to be recorded directly into the Statement of Financial Performance instead of the Statement of Changes in Net Assets is skewing the picture with regard to depreciation and finance charges.

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 below is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year appropriations, for the 2012/2013 financial year R 59.3 million has been allocated of the total R 77.7 million capital budget, which totals 76.3%. This allocation decreases to R 26.3 million in 2013/2014 and then flattens out to R 38.8 million in 2014/2015 owing primarily to the fact that various projects reach completion in 2012/2013 hence the spike in expenditure in year two.
3. Single-year capital expenditure has been appropriated at R 18.4 million for the 2012/2013 financial year and increases / decreases over the MTREF at levels of R 25.9 million and R 19.4 million respectively for the two outer years.
4. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of

vehicles and specialised tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.

**Table 22 MBRR Table A5 - Budgeted Capital Expenditure
by vote, standard classification and funding source**

| Vote Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Capital expenditure - Vote | | | | | | | | | |
| <i>Multi-year expenditure to be appropriated</i> | | | | | | | | | |
| Vote 1 - MUNICIPAL MANAGER | - | - | - | - | 260 | 260 | 3,310 | 2,800 | 2,800 |
| Vote 2 - CORPORATE SERVICES | - | 9 | - | - | 1,444 | 1,444 | - | - | 17,568 |
| Vote 3 - FINANCIAL SERVICES | - | 4 | - | - | - | - | - | - | - |
| Vote 4 - DEVELOPMENT SERVICES | - | - | - | - | - | - | - | 978 | 4,076 |
| Vote 5 - TECHNICAL SERVICES | 708 | 7 | - | 250 | 21,252 | 21,252 | 56,001 | 22,616 | 14,404 |
| Capital multi-year expenditure sub-total | 708 | 20 | - | 250 | 22,955 | 22,955 | 59,311 | 26,394 | 38,848 |
| <i>Single-year expenditure to be appropriated</i> | | | | | | | | | |
| Vote 1 - MUNICIPAL MANAGER | 403 | 1,797 | 1,585 | 4,000 | 1,880 | 1,880 | 1,150 | 1,545 | 1,940 |
| Vote 2 - CORPORATE SERVICES | 492 | 1,209 | 4,909 | 15,000 | 823 | 823 | - | - | - |
| Vote 3 - FINANCIAL SERVICES | 14 | 125 | 142 | - | 87 | 87 | - | - | - |
| Vote 4 - DEVELOPMENT SERVICES | 673 | 2,896 | 3,108 | 2,091 | 9,693 | 9,693 | - | 5,644 | - |
| Vote 5 - TECHNICAL SERVICES | 24,190 | 22,132 | 23,569 | 132,936 | 70,898 | 70,898 | 17,257 | 18,712 | 17,466 |
| Capital single-year expenditure sub-total | 25,771 | 28,160 | 33,313 | 154,027 | 83,381 | 83,381 | 18,407 | 25,901 | 19,406 |
| Total Capital Expenditure - Vote | 26,479 | 28,179 | 33,313 | 154,277 | 106,336 | 106,336 | 77,718 | 52,295 | 58,254 |
| Capital Expenditure - Standard | | | | | | | | | |
| <i>Governance and administration</i> | 1,111 | 12,109 | 7,982 | 31,975 | 31,097 | 31,097 | 9,650 | 15,257 | 22,308 |
| Executive and council | 183 | 550 | 41 | 4,000 | 1,979 | 1,979 | 3,950 | 4,345 | 4,740 |
| Budget and treasury office | 14 | 129 | 142 | - | 87 | 87 | - | - | - |
| Corporate services | 915 | 11,429 | 7,799 | 27,975 | 29,030 | 29,030 | 5,700 | 10,912 | 17,568 |
| <i>Community and public safety</i> | 377 | 2,554 | 3,039 | 1,325 | 9,136 | 9,136 | - | 3,764 | 4,076 |
| Community and social services | 57 | 250 | 264 | 1,000 | 4,459 | 4,459 | - | - | - |
| Sport and recreation | 211 | 2,093 | 391 | 65 | 4,280 | 4,280 | - | 3,764 | 4,076 |
| Public safety | 93 | 129 | 2,274 | 160 | 373 | 373 | - | - | - |
| Housing | 3 | - | 26 | - | - | - | - | - | - |
| Health | 13 | 82 | 83 | 100 | 25 | 25 | - | - | - |
| <i>Economic and environmental services</i> | 4,501 | 1,216 | 6,892 | 36,550 | 29,283 | 29,283 | 24,502 | 8,303 | - |
| Planning and development | 75 | 206 | 98 | - | 138 | 138 | 510 | - | - |
| Road transport | 4,426 | 1,010 | 6,794 | 36,550 | 29,145 | 29,145 | 23,992 | 8,303 | - |
| Environmental protection | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | 20,490 | 12,290 | 15,401 | 84,427 | 36,820 | 36,820 | 43,566 | 24,970 | 31,870 |
| Electricity | 12,048 | 5,107 | 11,359 | 25,706 | 22,318 | 22,318 | 23,026 | 10,255 | 12,524 |
| Water | 8,138 | 4,734 | 2,054 | 33,055 | 11,694 | 11,694 | 15,040 | 600 | 600 |
| Waste water management | - | 1,990 | 1,951 | 24,900 | 2,242 | 2,242 | 5,500 | 11,258 | 18,746 |
| Waste management | 304 | 459 | 37 | 766 | 566 | 566 | - | 2,857 | - |
| Other | - | 11 | - | - | - | - | - | - | - |
| Total Capital Expenditure - Standard | 26,479 | 28,179 | 33,313 | 154,277 | 106,336 | 106,336 | 77,718 | 52,295 | 58,254 |
| Funded by: | | | | | | | | | |
| National Government | 11,971 | 6,161 | 7,820 | 64,079 | 29,909 | 29,909 | 31,615 | 24,421 | 27,385 |
| Provincial Government | 2,489 | 3,019 | 364 | 5,500 | 2,782 | 2,782 | 510 | - | - |
| District Municipality | - | - | - | - | - | - | - | - | - |
| Other transfers and grants | - | - | 535 | - | 4,104 | 4,104 | - | - | - |
| Transfers recognised - capital | 14,460 | 9,179 | 8,719 | 69,579 | 36,794 | 36,794 | 32,125 | 24,421 | 27,385 |
| Public contributions & donations | - | - | - | - | - | - | - | - | - |
| Borrowing | 7,592 | 12,450 | 15,541 | 77,698 | 64,249 | 64,249 | 41,593 | 23,473 | 26,069 |
| Internally generated funds | 4,427 | 6,550 | 9,054 | 7,000 | 5,293 | 5,293 | 4,000 | 4,400 | 4,800 |
| Total Capital Funding | 26,479 | 28,179 | 33,313 | 154,277 | 106,336 | 106,336 | 77,718 | 52,295 | 58,254 |

5. The capital programme is funded from capital and provincial grants and transfers, public contributions and donations, borrowing and internally generated funds from current year surpluses. For 2012/2013, capital transfers totals R 32.1 million (41.3%) and decreases to R 27.3 million by 2014/2015 (47.0%). Borrowing has been provided at R 91.1 million over the MTREF with internally generated funding totaling R 4.0 million, R 4.4 million and R 4.8 million for each of the respective financial years of the MTREF. These funding sources are further discussed in detail in 2.6 (Overview of Budget Funding).

Table 23 MBRR Table A6 - Budgeted Financial Position

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|------------------|------------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| ASSETS | | | | | | | | | |
| Current assets | | | | | | | | | |
| Cash | 62 | 213 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Call investment deposits | 26,164 | 26,241 | 12,057 | 16,242 | 16,360 | 16,360 | 15,000 | 17,375 | 20,825 |
| Consumer debtors | 14,104 | 17,683 | 25,462 | 14,363 | 18,607 | 18,607 | 22,167 | 24,667 | 26,317 |
| Other debtors | 7,196 | 6,595 | 6,549 | 2,215 | 3,715 | 3,715 | 3,715 | 3,715 | 3,715 |
| Current portion of long-term receivables | 13 | 13 | 23 | - | - | - | - | - | - |
| Inventory | 4,119 | 3,785 | 5,033 | 3,785 | 3,785 | 3,785 | 3,785 | 3,785 | 3,785 |
| Total current assets | 51,658 | 54,530 | 49,129 | 36,611 | 42,473 | 42,473 | 44,673 | 49,548 | 54,648 |
| Non current assets | | | | | | | | | |
| Long-term receivables | 45 | 5 | 3 | - | - | - | - | - | - |
| Investments | - | - | - | - | - | - | - | - | - |
| Investment property | - | 179,157 | 182,357 | 179,157 | 182,357 | 182,357 | 182,357 | 182,357 | 182,357 |
| Investment in Associate | - | - | - | - | - | - | - | - | - |
| Property, plant and equipment | 161,052 | 2,201,746 | 2,091,671 | 2,382,401 | 2,192,567 | 2,192,567 | 2,255,858 | 2,291,993 | 2,332,795 |
| Agricultural | - | - | - | - | - | - | - | - | - |
| Biological | - | - | - | - | - | - | - | - | - |
| Intangible | - | 3,245 | 2,093 | 3,262 | 2,652 | 2,652 | 2,652 | 2,652 | 2,652 |
| Other non-current assets | - | - | - | - | - | - | - | - | - |
| Total non current assets | 161,097 | 2,384,153 | 2,276,124 | 2,564,820 | 2,377,576 | 2,377,576 | 2,440,866 | 2,477,002 | 2,517,804 |
| TOTAL ASSETS | 212,755 | 2,438,682 | 2,325,253 | 2,601,431 | 2,420,049 | 2,420,049 | 2,485,539 | 2,526,550 | 2,572,452 |
| LIABILITIES | | | | | | | | | |
| Current liabilities | | | | | | | | | |
| Bank overdraft | 2,881 | 3,773 | 1,368 | - | - | - | - | - | - |
| Borrowing | 2,566 | 3,653 | 6,555 | 17,000 | 17,000 | 17,000 | 18,000 | 19,000 | 20,000 |
| Consumer deposits | 3,898 | 4,620 | 5,787 | 8,000 | 8,000 | 8,000 | 9,000 | 9,000 | 9,500 |
| Trade and other payables | 25,486 | 34,404 | 43,671 | 22,500 | 51,320 | 51,320 | 46,932 | 46,547 | 46,645 |
| Provisions | 64,856 | 3,833 | 3,932 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 |
| Total current liabilities | 99,687 | 50,282 | 61,313 | 55,000 | 83,820 | 83,820 | 81,432 | 82,047 | 83,645 |
| Non current liabilities | | | | | | | | | |
| Borrowing | 57,826 | 58,730 | 70,207 | 144,624 | 120,175 | 120,175 | 152,768 | 164,742 | 177,311 |
| Provisions | 2,574 | 25,053 | 47,197 | 28,829 | 43,068 | 43,068 | 44,672 | 46,967 | 49,471 |
| Total non current liabilities | 60,400 | 83,783 | 117,404 | 173,453 | 163,243 | 163,243 | 197,440 | 211,708 | 226,782 |
| TOTAL LIABILITIES | 160,087 | 134,065 | 178,717 | 228,453 | 247,063 | 247,063 | 278,872 | 293,756 | 310,427 |
| NET ASSETS | 52,668 | 2,304,617 | 2,146,536 | 2,372,978 | 2,172,987 | 2,172,987 | 2,206,668 | 2,232,794 | 2,262,025 |
| COMMUNITY WEALTH/EQUITY | | | | | | | | | |
| Accumulated Surplus/(Deficit) | (54,274) | 2,304,617 | 2,146,536 | 2,372,978 | 2,172,987 | 2,172,987 | 2,206,668 | 2,232,794 | 2,262,025 |
| Reserves | 106,942 | - | - | - | - | - | - | - | - |
| Minorities' interests | - | - | - | - | - | - | - | - | - |
| TOTAL COMMUNITY WEALTH/EQUITY | 52,668 | 2,304,617 | 2,146,536 | 2,372,978 | 2,172,987 | 2,172,987 | 2,206,668 | 2,232,794 | 2,262,025 |

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors, management and other users

of budget documentation of the impact of the budget on the statement of financial position (balance sheet).

2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table 66 is supported by an extensive table of notes (SA3 which can be found on [page 102](#)) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non-current;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the Statement of Financial Position.

Table 24 MBRR Table A7 - Budgeted Cash Flow Statement

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | |
| Receipts | | | | | | | | | |
| Ratepayers and other | 184,274 | 212,905 | 255,714 | 314,933 | 322,632 | 322,632 | 345,187 | 378,889 | 415,582 |
| Government - operating | 36,557 | 70,322 | 81,733 | 58,796 | 61,716 | 61,716 | 66,551 | 68,690 | 74,426 |
| Government - capital | 14,460 | 9,179 | 8,719 | 69,579 | 36,794 | 36,794 | 32,125 | 24,421 | 27,385 |
| Interest | 3,829 | 4,240 | 2,979 | 3,700 | 3,151 | 3,151 | 4,415 | 4,693 | 4,990 |
| Dividends | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | |
| Suppliers and employees | (208,219) | (264,468) | (335,484) | (362,124) | (368,379) | (368,379) | (392,890) | (420,287) | (458,930) |
| Finance charges | (6,070) | (6,598) | (7,594) | (7,836) | (7,926) | (7,926) | (12,740) | (14,269) | (15,313) |
| Transfers and Grants | (529) | (798) | (855) | (575) | (621) | (621) | (583) | (641) | (705) |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | 24,301 | 24,782 | 5,212 | 76,473 | 47,367 | 47,367 | 42,065 | 41,496 | 47,435 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | |
| Receipts | | | | | | | | | |
| Proceeds on disposal of PPE | 757 | 71 | 48 | 50 | 0 | 0 | - | - | - |
| Decrease (Increase) in non-current debtors | - | - | - | - | - | - | - | - | - |
| Decrease (increase) other non-current receivables | 2 | 41 | (8) | - | 26 | 26 | - | - | - |
| Decrease (increase) in non-current investments | - | (5,705) | (58) | 1,763 | 1,763 | 1,763 | (1,000) | (1,000) | - |
| Payments | | | | | | | | | |
| Capital assets | (25,544) | (28,179) | (33,313) | (154,277) | (106,336) | (106,336) | (77,718) | (52,295) | (58,254) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | (24,785) | (33,773) | (33,331) | (152,464) | (104,547) | (104,547) | (78,718) | (53,295) | (58,254) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | |
| Receipts | | | | | | | | | |
| Short term loans | - | - | - | - | - | - | - | - | - |
| Increase in Trust Funds | 702 | - | 528 | - | 1,988 | 1,988 | (300) | 200 | 200 |
| Borrowing long term/refinancing | 38,471 | 4,704 | 19,519 | 77,698 | 64,249 | 64,249 | 41,593 | 23,473 | 26,069 |
| Increase (decrease) in consumer deposits | 262 | 722 | 1,168 | 2,960 | 2,213 | 2,213 | 1,000 | - | 500 |
| Payments | | | | | | | | | |
| Repayment of trust funds | - | (90) | - | 1,988 | - | - | - | - | - |
| Repayment of borrowing | (1,699) | (2,713) | (5,140) | (8,133) | (3,836) | (3,836) | (8,000) | (10,500) | (12,500) |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | 37,736 | 2,623 | 16,075 | 74,513 | 64,613 | 64,613 | 34,293 | 13,173 | 14,269 |
| NET INCREASE/(DECREASE) IN CASH HELD | 37,252 | (6,368) | (12,045) | (1,478) | 7,434 | 7,434 | (2,360) | 1,375 | 3,450 |
| Cash/cash equivalents at the year begin: | (13,908) | 23,344 | 16,977 | 13,726 | 4,932 | 4,932 | 12,366 | 10,006 | 11,381 |
| Cash/cash equivalents at the year end: | 23,344 | 16,977 | 4,932 | 12,248 | 12,366 | 12,366 | 10,006 | 11,381 | 14,831 |

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. It can be seen that the cash levels of the municipality fell significantly over the 2008/2009 to 2010/2011 period owing directly to a net decrease in cash for the 2009/2010 and 2010/2011 financial years of R 6.3 million and R 12.0 million respectively. The 2011/2012 financial year project a net increase of R 7.4 million with an overall projected positive cash position of R 7.4 million. This amount includes unspent conditional grants.

4. The approved 2012/2013 MTREF provide for a further net decrease in cash of R 2.3 million for the 2012/2013 financial year resulting in an overall projected positive cash position of R 10.0 million at year end.
5. As part of the 2011/2012 mid-year review and Adjustments Budget this unsustainable cash position had to be addressed as a matter of urgency and various interventions were implemented such as the reduction of expenditure allocations and rationalisation of spending priorities.
6. In addition the municipality undertook an extensive debt collection drive resulting in cash receipts on government arrear debtors.
7. The 2012/2013 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.
8. Cash and cash equivalents totals project R 10.0 million as at the end of the 2012/2013 financial year and escalate to a projected R 14.8 million by 2014/2015.

Table 25 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Cash and investments available | | | | | | | | | |
| Cash/cash equivalents at the year end | 23,344 | 16,977 | 4,932 | 12,248 | 12,366 | 12,366 | 10,006 | 11,381 | 14,831 |
| Other current investments > 90 days | - | 5,705 | 5,763 | 4,000 | 4,000 | 4,000 | 5,000 | 6,000 | 6,000 |
| Non current assets - Investments | - | - | - | - | - | - | - | - | - |
| Cash and investments available: | 23,344 | 22,682 | 10,695 | 16,248 | 16,366 | 16,366 | 15,006 | 17,381 | 20,831 |
| Application of cash and investments | | | | | | | | | |
| Unspent conditional transfers | 8,538 | 11,064 | 18,887 | 0 | 30,840 | 30,840 | 25,842 | 26,352 | 26,352 |
| Unspent borrowing | - | - | - | - | - | - | - | - | - |
| Statutory requirements | - | - | - | - | - | - | - | - | - |
| Other working capital requirements | (6,426) | (2,640) | (9,532) | 1,119 | (6,896) | (6,896) | (8,778) | (12,230) | (13,839) |
| Other provisions | - | - | - | - | - | - | - | - | - |
| Long term investments committed | - | - | - | - | - | - | - | - | - |
| Reserves to be backed by cash/investments | 2,574 | 2,484 | 3,012 | 5,000 | 5,000 | 5,000 | 4,700 | 4,900 | 5,100 |
| Total Application of cash and investments: | 4,686 | 10,909 | 12,367 | 6,119 | 28,944 | 28,944 | 21,764 | 19,022 | 17,613 |
| Surplus(shortfall) | 18,659 | 11,773 | (1,671) | 10,129 | (12,578) | (12,578) | (6,758) | (1,642) | 3,217 |

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves / accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.

2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. From the table it can be seen that for the period 2008/2009 to 2011/2012 the cash surplus of R 18.6 million deteriorated to a cash deficit of R 12.5 million before it starts improving again for the MTREF to R 3.2 million in 2014/2015. The main reason for this "unfunded" projections was a lack of cash due to government not honouring their property rates and service charges outstanding debt as well as housing programme claims not paid out by provincial government.
6. Considering the requirements of section 18 of the MFMA, it can be concluded that the adopted 2012/2013 MTREF was not funded owing to the deficits.
7. As part of the budgeting and planning guidelines that informed the compilation of the 2012/2013 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.
8. As can be seen the budget has been modelled to progressively move from a projected deficit of R 12.5 million in 2011/2012 to a surplus of R 3.2 million by 2014/2015.

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.

Table 26 MBRR Table A9 - Asset Management

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| CAPITAL EXPENDITURE | | | | | | | | | |
| <u>Total New Assets</u> | 26,479 | 28,179 | 33,313 | 145,047 | 93,916 | 93,916 | 75,438 | 44,703 | 57,954 |
| Infrastructure - Road transport | 4,471 | 1,249 | 6,607 | 29,600 | 18,401 | 18,401 | 23,992 | 8,303 | - |
| Infrastructure - Electricity | 12,034 | 4,980 | 11,359 | 25,306 | 22,318 | 22,318 | 23,026 | 10,255 | 12,524 |
| Infrastructure - Water | 8,110 | 4,723 | 3,110 | 32,255 | 11,287 | 11,287 | 14,740 | 300 | 300 |
| Infrastructure - Sanitation | 279 | 1,988 | 1,180 | 24,450 | 1,409 | 1,409 | 5,500 | 11,258 | 18,746 |
| Infrastructure - Other | 69 | - | - | 1,966 | 613 | 613 | 3,310 | 5,657 | 2,800 |
| Infrastructure | 24,964 | 12,941 | 22,257 | 113,577 | 54,027 | 54,027 | 70,568 | 35,773 | 34,370 |
| Community | 859 | 1,678 | 574 | 470 | 9,256 | 9,256 | - | 3,764 | 4,076 |
| Heritage assets | 5 | - | - | - | - | - | - | - | - |
| Investment properties | - | - | 3,200 | - | - | - | - | - | - |
| Other assets | 651 | 13,560 | 7,234 | 31,000 | 30,074 | 30,074 | 4,870 | 5,165 | 19,508 |
| Agricultural Assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Intangibles | - | - | 48 | - | 558 | 558 | - | - | - |
| <u>Total Renewal of Existing Assets</u> | - | - | - | 9,230 | 12,420 | 12,420 | 2,280 | 7,592 | 300 |
| Infrastructure - Road transport | - | - | - | 7,300 | 10,870 | 10,870 | - | - | - |
| Infrastructure - Electricity | - | - | - | 400 | - | - | - | - | - |
| Infrastructure - Water | - | - | - | 530 | 430 | 430 | 300 | 300 | 300 |
| Infrastructure - Sanitation | - | - | - | 450 | 787 | 787 | - | - | - |
| Infrastructure - Other | - | - | - | - | - | - | - | - | - |
| Infrastructure | - | - | - | 8,680 | 12,087 | 12,087 | 300 | 300 | 300 |
| Community | - | - | - | 450 | 67 | 67 | - | - | - |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Investment properties | - | - | - | - | - | - | - | - | - |
| Other assets | - | - | - | 100 | 267 | 267 | 1,980 | 7,292 | - |
| Agricultural Assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Intangibles | - | - | - | - | - | - | - | - | - |
| <u>Total Capital Expenditure</u> | 4,471 | 1,249 | 6,607 | 36,900 | 29,271 | 29,271 | 23,992 | 8,303 | - |
| Infrastructure - Road transport | 12,034 | 4,980 | 11,359 | 25,706 | 22,318 | 22,318 | 23,026 | 10,255 | 12,524 |
| Infrastructure - Electricity | 8,110 | 4,723 | 3,110 | 32,785 | 11,717 | 11,717 | 15,040 | 600 | 600 |
| Infrastructure - Water | 279 | 1,988 | 1,180 | 24,900 | 2,196 | 2,196 | 5,500 | 11,258 | 18,746 |
| Infrastructure - Sanitation | 69 | - | - | 1,966 | 613 | 613 | 3,310 | 5,657 | 2,800 |
| Infrastructure - Other | 24,964 | 12,941 | 22,257 | 122,257 | 66,114 | 66,114 | 70,868 | 36,073 | 34,670 |
| Infrastructure | 859 | 1,678 | 574 | 920 | 9,323 | 9,323 | - | 3,764 | 4,076 |
| Community | 5 | - | - | - | - | - | - | - | - |
| Heritage assets | - | - | 3,200 | - | - | - | - | - | - |
| Investment properties | - | - | - | - | - | - | - | - | - |
| Other assets | 651 | 13,560 | 7,234 | 31,100 | 30,341 | 30,341 | 6,850 | 12,457 | 19,508 |
| Agricultural Assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Intangibles | - | - | 48 | - | 558 | 558 | - | - | - |
| TOTAL CAPITAL EXPENDITURE - Asset class | 26,479 | 28,179 | 33,313 | 154,277 | 106,336 | 106,336 | 77,718 | 52,295 | 58,254 |
| ASSET REGISTER SUMMARY - PPE (WDV) | | | | | | | | | |
| Infrastructure - Road transport | 22,913 | 857,963 | 787,751 | 900,814 | 815,486 | 815,486 | 834,935 | 838,151 | 832,657 |
| Infrastructure - Electricity | 46,988 | 346,783 | 339,513 | 374,763 | 360,651 | 360,651 | 380,189 | 386,537 | 394,842 |
| Infrastructure - Water | 44,486 | 470,809 | 457,482 | 500,780 | 468,349 | 468,349 | 480,878 | 478,665 | 476,227 |
| Infrastructure - Sanitation | 16,966 | 152,107 | 144,955 | 171,837 | 146,251 | 146,251 | 149,090 | 157,369 | 172,897 |
| Infrastructure - Other | 4,712 | 32,225 | 29,533 | 38,297 | 29,972 | 29,972 | 32,772 | 37,857 | 40,040 |
| Infrastructure | 136,065 | 1,859,887 | 1,759,234 | 1,986,491 | 1,820,709 | 1,820,709 | 1,877,865 | 1,898,580 | 1,916,663 |
| Community | 7,499 | 64,731 | 62,196 | 66,923 | 71,412 | 71,412 | 71,097 | 74,508 | 78,202 |
| Heritage assets | 263 | 4,273 | 4,273 | 4,273 | 4,273 | 4,273 | 4,273 | 4,273 | 4,273 |
| Investment properties | - | 179,157 | 182,357 | 179,157 | 182,357 | 182,357 | 182,357 | 182,357 | 182,357 |
| Other assets | 17,225 | 272,856 | 265,967 | 324,713 | 296,173 | 296,173 | 302,623 | 314,632 | 333,657 |
| Agricultural Assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Intangibles | - | 3,245 | 2,093 | 3,262 | 2,652 | 2,652 | 2,652 | 2,652 | 2,652 |
| TOTAL ASSET REGISTER SUMMARY - PPE (WDV) | 161,052 | 2,384,148 | 2,276,121 | 2,564,820 | 2,377,576 | 2,377,576 | 2,440,866 | 2,477,002 | 2,517,804 |
| EXPENDITURE OTHER ITEMS | | | | | | | | | |
| Depreciation & asset impairment | 13,550 | 110,941 | 141,340 | 21,557 | 4,881 | 4,881 | 14,428 | 16,159 | 17,452 |
| Repairs and Maintenance by Asset Class | 8,053 | 8,436 | 10,462 | 11,106 | 10,920 | 10,920 | 11,752 | 12,927 | 14,219 |
| Infrastructure - Road transport | 394 | 302 | 359 | 514 | 571 | 571 | 676 | 743 | 818 |
| Infrastructure - Electricity | 362 | 482 | 695 | 726 | 728 | 728 | 707 | 778 | 856 |
| Infrastructure - Water | 406 | 393 | 338 | 643 | 800 | 800 | 878 | 966 | 1,062 |
| Infrastructure - Sanitation | 85 | 40 | 81 | 178 | 136 | 136 | 215 | 237 | 261 |
| Infrastructure - Other | 9 | 1 | 20 | 25 | 45 | 45 | 48 | 53 | 59 |
| Infrastructure | 1,255 | 1,217 | 1,492 | 2,086 | 2,281 | 2,281 | 2,525 | 2,777 | 3,055 |
| Community | 254 | 289 | 403 | 462 | 432 | 432 | 484 | 532 | 586 |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Investment properties | - | - | - | - | - | - | - | - | - |
| Other assets | 6,544 | 6,929 | 8,567 | 8,558 | 8,207 | 8,207 | 8,743 | 9,618 | 10,579 |
| TOTAL EXPENDITURE OTHER ITEMS | 21,603 | 119,376 | 151,803 | 32,663 | 15,801 | 15,801 | 26,180 | 29,086 | 31,671 |
| Renewal of Existing Assets as % of total capex | 0.0% | 0.0% | 0.0% | 6.0% | 11.7% | 11.7% | 2.9% | 14.5% | 0.5% |
| Renewal of Existing Assets as % of deprecn | 0.0% | 0.0% | 0.0% | 42.8% | 254.5% | 254.5% | 15.8% | 47.0% | 1.7% |
| R&M as a % of PPE | 5.0% | 0.4% | 0.5% | 0.5% | 0.5% | 0.5% | 0.5% | 0.6% | 0.6% |
| Renewal and R&M as a % of PPE | 5.0% | 0.0% | 0.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% |

2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The municipality cannot meet these recommendations due to a lack of financial resources.
3. The following graph provides an analysis between depreciation and operational repairs and maintenance over the MTREF. It highlights the municipality's strategy to address the maintenance of assets.

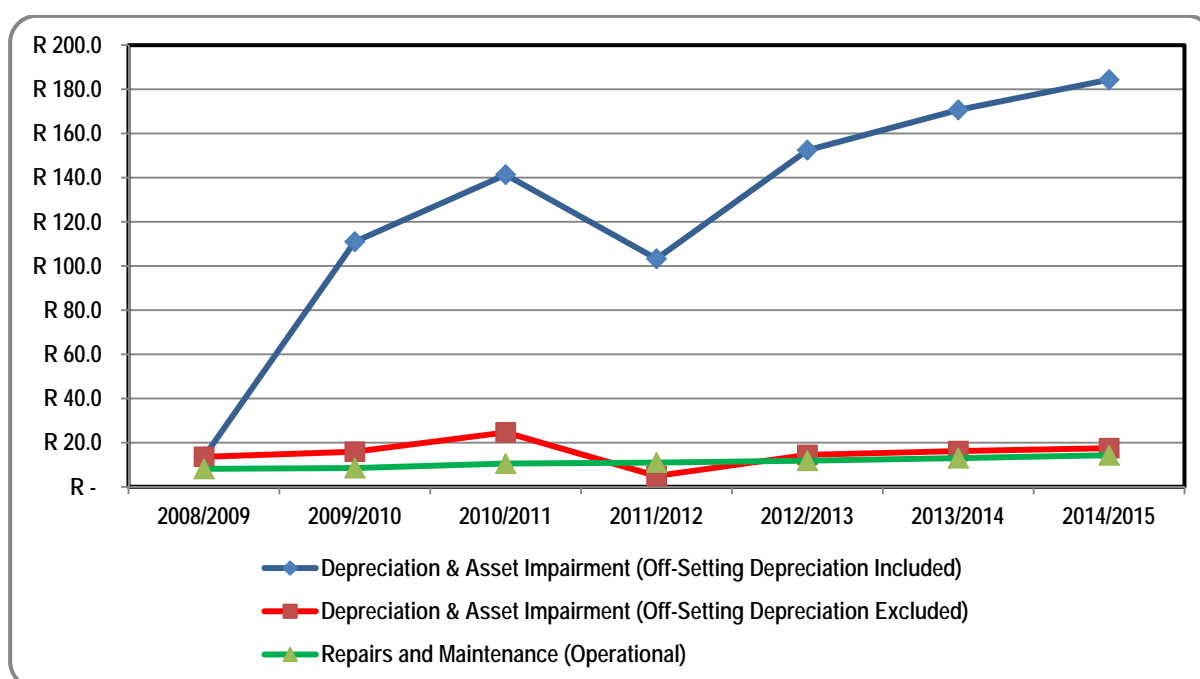


Figure 4 Depreciation in relation to repairs and maintenance over the MTREF

4. It is clear from the above graph that operating repairs and maintenance expenditure runs well with depreciation and asset impairment costs (off-setting depreciation excluded). However, depreciation and asset impairment costs (off-setting depreciation included) due to the implementation of the GRAP Accounting Standards on the carrying values of componentised assets makes it virtually unaffordable to maintain the municipality's assets at depreciated replacement cost.

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

Table 27 MBRR Table A10 - Basic Service Delivery Measurement

| Description | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Household service targets | | | | | | | | | |
| <u>Water:</u> | | | | | | | | | |
| Piped water inside dwelling | 9,100 | 9,550 | 9,971 | 9,971 | 9,971 | 9,971 | 9,971 | 10,221 | 10,450 |
| Piped water inside yard (but not in dwelling) | 2,210 | 2,645 | 3,172 | 6,190 | 6,190 | 6,190 | 6,190 | 6,680 | 7,320 |
| Using public tap (at least min.service level) | 680 | 890 | 1,259 | 1,716 | 1,716 | 1,716 | 2,150 | 2,485 | 2,799 |
| Other water supply (at least min.service level) | - | - | - | - | - | - | - | - | - |
| <i>Minimum Service Level and Above sub-total</i> | 11,990 | 13,085 | 14,402 | 17,877 | 17,877 | 17,877 | 18,311 | 19,386 | 20,569 |
| Using public tap (< min.service level) | - | - | - | - | - | - | - | - | - |
| Other water supply (< min.service level) | 249 | 249 | 249 | - | - | - | - | - | - |
| No water supply | - | - | - | - | - | - | - | - | - |
| <i>Below Minimum Service Level sub-total</i> | 249 | 249 | 249 | - | - | - | - | - | - |
| Total number of households | 12,239 | 13,334 | 14,651 | 17,877 | 17,877 | 17,877 | 18,311 | 19,386 | 20,569 |
| <u>Sanitation/sewerage:</u> | | | | | | | | | |
| Flush toilet (connected to sewerage) | 12,345 | 12,650 | 13,191 | 13,193 | 13,193 | 13,193 | 13,193 | 13,452 | 13,690 |
| Flush toilet (with septic tank) | 217 | 217 | 217 | 320 | 320 | 320 | 320 | 380 | 420 |
| Chemical toilet | - | - | - | - | - | - | - | - | - |
| Pit toilet (ventilated) | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 |
| Other toilet provisions (> min.service level) | 1,110 | 1,320 | 1,441 | 1,441 | 1,441 | 1,441 | 1,730 | 2,140 | 2,450 |
| <i>Minimum Service Level and Above sub-total</i> | 13,823 | 14,338 | 15,000 | 15,105 | 15,105 | 15,105 | 15,394 | 16,123 | 16,711 |
| Bucket toilet | 1,345 | 1,688 | 1,688 | 2,498 | 2,498 | 2,498 | 2,890 | 3,350 | 3,570 |
| Other toilet provisions (< min.service level) | - | - | - | - | - | - | - | - | - |
| No toilet provisions | 366 | 366 | 366 | 366 | 366 | 366 | 366 | 345 | 315 |
| <i>Below Minimum Service Level sub-total</i> | 1,711 | 2,054 | 2,054 | 2,864 | 2,864 | 2,864 | 3,256 | 3,695 | 3,885 |
| Total number of households | 15,534 | 16,392 | 17,054 | 17,969 | 17,969 | 17,969 | 18,650 | 19,818 | 20,596 |
| <u>Energy:</u> | | | | | | | | | |
| Electricity (at least min.service level) | 2,946 | 2,853 | 2,720 | 2,586 | 2,586 | 2,586 | 2,547 | 2,518 | 2,510 |
| Electricity - prepaid (min.service level) | 14,025 | 14,784 | 15,790 | 14,328 | 14,328 | 14,328 | 14,651 | 15,491 | 15,911 |
| <i>Minimum Service Level and Above sub-total</i> | 16,971 | 17,637 | 18,510 | 16,914 | 16,914 | 16,914 | 17,198 | 18,009 | 18,421 |
| Electricity (< min.service level) | - | - | - | - | - | - | - | - | - |
| Electricity - prepaid (< min. service level) | - | - | - | - | - | - | - | - | - |
| Other energy sources | 810 | 819 | 720 | 1,300 | 1,300 | 1,300 | 700 | 700 | 700 |
| <i>Below Minimum Service Level sub-total</i> | 810 | 819 | 720 | 1,300 | 1,300 | 1,300 | 700 | 700 | 700 |
| Total number of households | 17,781 | 18,456 | 19,230 | 18,214 | 18,214 | 18,214 | 17,898 | 18,709 | 19,121 |
| <u>Refuse:</u> | | | | | | | | | |
| Removed at least once a week | - | 18,500 | 18,880 | 1,880 | 19,200 | 19,800 | 20,200 | 20,450 | 21,000 |
| <i>Minimum Service Level and Above sub-total</i> | - | 18,500 | 18,880 | 1,880 | 19,200 | 19,800 | 20,200 | 20,450 | 21,000 |
| Removed less frequently than once a week | - | - | - | - | - | - | - | - | - |
| Using communal refuse dump | - | - | - | - | - | - | - | - | - |
| Using own refuse dump | - | - | - | - | - | - | - | - | - |
| Other rubbish disposal | - | - | - | - | - | - | - | - | - |
| No rubbish disposal | - | - | - | - | - | - | - | - | - |
| <i>Below Minimum Service Level sub-total</i> | - | - | - | - | - | - | - | - | - |
| Total number of households | - | 18,500 | 18,880 | 1,880 | 19,200 | 19,800 | 20,200 | 20,450 | 21,000 |
| <u>Households receiving Free Basic Service</u> | | | | | | | | | |
| Water (10 kilolitres per household per month) | - | - | 6,818 | 6,818 | 6,818 | 6,818 | 10,577 | 10,577 | 10,577 |
| Sanitation (free minimum level service) | - | - | 6,818 | 6,818 | 6,818 | 6,818 | 10,577 | 10,577 | 10,577 |
| Electricity/other energy (50kwh per household per month) | - | - | 6,645 | 6,645 | 6,645 | 6,645 | 6,645 | 6,645 | 6,645 |
| Refuse (removed at least once a week) | - | - | 6,818 | 6,818 | 6,818 | 6,818 | 10,577 | 10,577 | 10,577 |
| <u>Cost of Free Basic Services provided (R'000)</u> | | | | | | | | | |
| Water (10 kilolitres per household per month) | - | - | - | - | - | - | - | - | - |
| Sanitation (free sanitation service) | - | - | - | - | - | - | - | - | - |
| Electricity/other energy (50kwh per household per month) | - | - | - | - | - | - | - | - | - |
| Refuse (removed once a week) | - | - | - | - | - | - | - | - | - |
| Indigent Subsidy Totals | 14,508 | 12,555 | 16,117 | 16,370 | 19,155 | 19,155 | 20,499 | 21,937 | 23,479 |
| Total cost of FBS provided (minimum social package) | 14,508 | 12,555 | 16,117 | 16,370 | 19,155 | 19,155 | 20,499 | 21,937 | 23,479 |
| <u>Highest level of free service provided</u> | | | | | | | | | |
| Property rates (R value threshold) | - | - | - | 45,000 | 45,000 | 45,000 | 45,000 | 45,000 | 45,000 |
| Water (kilolitres per household per month) | - | - | - | 10 | 10 | 10 | 10 | 10 | 10 |
| Sanitation (Rand per household per month) | - | - | - | - | - | - | - | - | - |
| Sanitation (Rand per household per month) | - | - | - | 164 | 164 | 164 | 164 | 164 | 164 |
| Electricity (kwh per household per month) | - | - | - | 50 | 50 | 50 | 50 | 50 | 50 |
| Refuse (R per household per month) | - | - | - | 108 | 108 | 108 | 108 | 108 | 108 |
| <u>Revenue cost of free services provided (R'000)</u> | | | | | | | | | |
| Property rates (R45 000 threshold rebate) | - | - | - | - | - | - | - | - | - |
| Property rates (other exemptions, reductions and rebates) | 57 | 1,018 | 1,344 | 1,456 | 1,458 | 1,458 | 1,560 | 1,654 | 1,753 |
| Water | - | - | - | - | - | - | - | - | - |
| Sanitation | - | - | - | - | - | - | - | - | - |
| Electricity/other energy | - | - | - | - | - | - | - | - | - |
| Refuse | - | - | - | - | - | - | - | - | - |
| Municipal Housing - rental rebates | - | - | - | - | - | - | - | - | - |
| Housing - top structure subsidies | - | - | - | - | - | - | - | - | - |
| Indigent Subsidy Totals | 14,508 | 12,555 | 16,117 | 16,370 | 19,155 | 19,155 | 20,499 | 21,937 | 23,479 |
| Other | - | - | - | - | - | - | - | - | - |
| Total revenue cost of free services provided (total social package) | 14,565 | 13,573 | 17,461 | 17,826 | 20,613 | 20,613 | 22,059 | 23,591 | 25,232 |

2. The City continues to make good progress with the eradication of backlogs:
 - a. The minimum level of water services is available to all households – formal as well as informal areas.
 - b. Sanitation services backlogs steadily increases to the projected 3,885 households in 2014/2015 who receive a service below the minimum service level. These numbers will only reduce when the municipality receives funds from the housing programme for basic service infrastructure. Provincial government is slow in approving funds through the housing programme to build houses with toilets and sewerage networks.
 - c. Electricity services backlogs will be reduced to an estimated 700 households by 2014/2015. Although the MTREF indicates the electrification of 2,104 houses together with electricity infrastructure through INEP grants and external loans, the growing need of more housing makes this an on-going exercise.
 - d. The minimum level of refuse removal services is available to all households – formal as well as informal areas.
3. The budget provides for 10,577 households to be registered as indigent in 2012/2013, and therefore entitled to receiving Free Basic Services. The number is expected to increase over the two outer years.
4. It is anticipated that these Free Basic Services will cost the municipality R 20.4 million in 2012/2013, increasing to R 23.4 million in 2014/2015. This is covered by the municipality's equitable share allocation from national government.
5. In addition to the Free Basic Services, the municipality also 'gives' households R 1.5 million in free services in 2012/201, and it increases to R 1.7 million in 2014/2015. This 'tax expenditure' needs to be seen within the context of the municipality's overall revenue management strategy – the more the municipality gives away, the less there is available to fund other services. Currently, the 'free services' represent about 5.6% of total operating revenue.

2 Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Executive Committee members, the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Mayor.

The primary aims of the Budget Steering Committee are to ensure:

- That the process followed to compile the budget complies with legislation and good budget practices;
- That there is proper alignment between the policy and service delivery priorities set out in the municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- That the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- That the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

2.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2011) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget process plan with time schedule on 26 August 2011. Key dates applicable to the process were:

- **November 2011** – 1st Budget work session of all councillors and senior management. Aim: to review past performance trends of the capital and operating budgets, the economic realities and to set the prioritisation criteria for the compilation of the 2012/2013 MTREF;
- **January 2012** – Detail departmental budget proposals (capital and operating) submitted to the Budget and Treasury Office for consolidation and assessment against the financial planning guidelines and the compilation of the 1st draft MTREF;
- **January 2012** – Review of the financial strategy and key economic and financial planning assumptions by the Budget Steering Committee. This included financial forecasting and scenario considerations;
- **February 2012** – Multi-year budget proposals are submitted to the Executive Committee (2nd budget work session of all councillors and senior management) for endorsement;
- **28 February 2012** – Council considers the 2011/2012 Mid-year Review and Adjustments Budget;
- **30 March 2012** – Tabling in Council of the draft 2012/2013 IDP and 2012/2013 MTREF for public consultation;
- **April 2012** – Public consultation
- **30 April 2012** – Closing date for written comments;
- **10 May 2012** – Finalisation of the 2012/2013 IDP and 2012/2013 MTREF, taking into consideration comments received from the public, comments from National Treasury, and updated information from the most recent Division of Revenue Bill and financial framework; and
- **31 May 2012** – Tabling of the 2012/2013 MTREF before Council for consideration and final approval.

There were no serious deviations from the key dates set out in the Budget Time Schedule tabled in Council.

2.1.2 IDP and Service Delivery and Budget Implementation Plan

This is a newly developed IDP for Council after the municipal elections that were held in May 2011.

The municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the newly developed IDP includes the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2012/2013 MTREF, based on the approved 2011/2012 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2012/2013 MTREF, each department / function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2011/2012 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

2.1.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2012/2013 MTREF; extensive financial modelling were undertaken to ensure affordable tariffs and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2012/2013 MTREF:

- Municipality's growth;
- Policy priorities and strategic objectives;
- Asset maintenance;
- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns);
- Performance trends;
- The approved 2011/2012 adjustments budget and performance against the SDBIP;
- Cash Flow Management Strategy;
- Debtor payment levels;
- Loan and investment possibilities;
- The need for tariff increases versus the ability of the community to pay for services; and
- Improved and sustainable service delivery.

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 58 and 59 has been taken into consideration in the planning and prioritisation process.

2.1.4 Community Consultation

The draft 2012/2013 MTREF as tabled before Council on 30 March 2012; and, for community consultation was published on the municipality's website and hard copies were made available at customer care offices, municipal notice boards and various libraries.

All documents in the appropriate format (electronic and printed) were provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Ward Committees were utilised to facilitate the community consultation process during April 2012, and it included a public workshop for all councillors, senior management, ward committee members, sector departments, organisational stakeholders and any member of the local public. The applicable dates and venue were published in all the local newspapers.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects were addressed, and where relevant considered as part of the finalisation of the 2012/2013 MTREF. Feedback and responses to the submissions received are available on request. The following are

some of the issues and concerns raised as well as comments received during the consultation process:

- One
- Two
- Three

Significant changes effected in the final 2012/2013 MTREF compared to the draft 2012/2013 MTREF that was tabled for community consultation, include:

- One
- Two
- Three

2.2 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realised through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the municipality strategically complies with the key national and provincial priorities.

The aim of this newly developed IDP was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPis);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2014 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's eleven strategic objectives for the 2012/2013 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 28 IDP Strategic Objectives

| Strategic Focus Area / Key Priority Areas | Strategic Objectives |
|---|--|
| 1. Poverty and Unemployment | 1. Job creation and relieve of poverty and unemployment |
| 2. Housing / Town Planning and Land Use Management | 2.1 Pro-active provision of sites for various land uses |
| | 2.2 Secure housing subsidies and implementation of housing projects |
| | 2.3 Maintain and upgrade existing housing facilities |
| 3. Road and Transport Infrastructure | 3.1 Improve overall public transport |
| | 3.2 Maintain and upgrade existing transport infrastructure |
| | 3.3 Ensure optimal functioning road network |
| | 3.4 Provide new and upgrade and better existing storm water infrastructure |
| 4. Sewerage and Sanitation | 4.1 Maintain existing sewerage infrastructure and bulk sewerage installations |
| | 4.2 Extend and supply new sewerage infrastructure |
| | 4.3 Improve and upgrade sanitation facilities |
| | 4.4 Optimise and improve waste removal services |
| 5. Electricity | 5.1 Maintain and upgrade existing electrical networks |
| | 5.2 Implement electrification program |
| | 5.3 Implement street and area lighting program for existing and new developments |
| 6. Water | 6.1 Improve and upgrade existing water systems and / or technology |
| | 6.2 Extend water infrastructure |
| | 6.3 Plan and manage water distribution systems |
| | 6.4 Maintain and upgrade bulk water installations |
| 7. HIV / Aids | 7.1 ? |
| 8. Sport, Parks and Recreation Facilities and General Appearance of Towns | 8.1 Improve general appearance of towns |
| | 8.2 Promote and improve co-operation in sport and recreation |
| | 8.3 Improve existing sport, park and recreation facilities |
| | 8.4 Provide new sport and recreation facilities |
| 9. Sufficient Health Facilities and Other Services to All Communities | 9.1 ? |
| 10. Communication Gaps and Community Facilities | 10.1 Promote and improve participatory processes between council and community |
| | 10.2 Promote equity regarding community facilities |
| 11. Administrative and Institutional Capacity | 11.1 |

In order to ensure integrated and focused service delivery between all spheres of government it was important for the municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives (National KPA's):

1. Provision of quality basic services and infrastructure which includes, amongst others:
 - Provide electricity;
 - Provide water;
 - Provide sanitation;
 - Provide waste removal;
 - Provide housing;
 - Provide roads and storm water;
 - Provide public transport;
 - Provide city planning services; and
 - Maintaining the infrastructure of the municipality.
2. Economic growth and development that leads to sustainable job creation by:
 - Ensuring there is a clear structural plan for the municipality;
 - Ensuring planning processes function in accordance with set timeframes; and
 - Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.
- 3.1 Fight poverty and build clean, healthy, safe and sustainable communities:
 - Effective implementation of the Indigent Policy;
 - Working with the provincial department of health to provide primary health care services;
 - Extending waste removal services and ensuring effective city cleansing;
 - Ensuring all waste water treatment works are operating optimally;
 - Working with strategic partners such as SAPS to address crime;
 - Ensuring safe working environments by effective enforcement of building and health regulations;
 - Promote viable, sustainable communities through proper zoning; and
 - Promote environmental sustainability by protecting wetlands and key open spaces.
- 3.2 Integrated Social Services for empowered and sustainable communities:

- Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme.
4. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:
- Optimising effective community participation in the ward committee system; and
 - Implementing Batho Pele in the revenue management strategy.
- 5.1 Promote sound governance through:
- Publishing the outcomes of all tender processes on the municipal website.
- 5.2 Ensure financial sustainability through:
- Reviewing the use of contracted services; and
 - Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan.
- 5.3 Optimal institutional transformation to ensure capacity to achieve set objectives:
- Review of the organizational structure to optimize the use of personnel.

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the municipality. The five-year programme responds to the development challenges and opportunities faced by the municipality by identifying the key performance areas to achieve the five national strategic objectives mentioned above.

In addition to the five-year IDP, the municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the municipality so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the municipality and other service delivery partners.

This development strategy introduces important policy shifts which have further been translated into seven strategic focus areas/objectives as outlined below:

- Developing dormant areas;
- Enforcing hard development lines – so as to direct private investment;
- Maintaining existing urban areas;
- Strengthening key economic clusters;
- Building social cohesion;
- Strong developmental initiatives in relation to the municipal institution as a whole; and
- Sound financial fundamentals.

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the newly developed IDP, including:

- Strengthening the analysis and strategic planning processes of the municipality;
- Initiating zonally planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area based interventions, within the overall holistic framework;
- Ensuring better co-ordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2012/2013 MTREF has therefore been directly informed by the IDP revision process and the following Table 30 provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

**Table 29 MBRR Table SA4 –
Reconciliation between the IDP strategic objectives and budgeted revenue**

| Strategic Objective / R thousand | Goal | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| KPA 1: Municipal Financial Viability and Management | To manage and account for all revenue raised and expenditure incurred in the municipality | 31,121 | 37,064 | 44,501 | 57,437 | 55,200 | 55,200 | 62,332 | 65,608 | 71,416 |
| | To manage the accounting, impairment and disposal of assets | 395 | – | 10 | – | – | – | – | – | – |
| | To manage the financial accounting activities of the Group Life Beneficiaries Funds | 174 | 136 | 124 | – | – | – | – | – | – |
| KPA 2: Basic Service Delivery | To account for conditional grants capital expenditure spending | 14,460 | 9,179 | 8,719 | 69,579 | 36,527 | 36,527 | 32,125 | 24,421 | 27,385 |
| | To construct new roads infrastructure in the municipal area | – | – | – | – | – | – | – | – | – |
| | To effectively, efficiently and economically manage the town planning functions in the municipal area | 445 | 443 | 682 | 465 | 598 | 598 | 620 | 683 | 751 |
| | To eradicate bucket systems backlogs | 747 | – | – | – | – | – | – | – | – |
| | To eradicate housing backlogs in the municipal area | 3,556 | 31,990 | 33,739 | – | 2,293 | 2,293 | – | – | – |
| | To maintain and manage attractive parks in the municipal area | 143 | 130 | 145 | 150 | 224 | 224 | 246 | 271 | 298 |
| | To maintain and manage the municipality's cemeteries | 121 | 131 | 158 | 156 | 155 | 155 | 185 | 203 | 223 |
| | To maintain and manage the municipality's electrical installations at PPE | – | – | – | – | – | – | – | – | – |
| | To maintain and manage the municipality's electricity distribution networks | 157 | 185 | 174 | 140 | 137 | 137 | 117 | 128 | 141 |
| | To maintain and manage the municipality's parks | 4 | 7 | 10 | 8 | 14 | 14 | 14 | 16 | 18 |
| | To maintain and manage the municipality's sport facilities | 55 | 60 | 59 | 64 | 51 | 51 | 55 | 61 | 67 |
| | To maintain and manage the municipality's swimming pools | 46 | 85 | 129 | 101 | 109 | 109 | 119 | 131 | 145 |
| | To maintain and manage the sewerage distribution networks of the municipality | 40 | 37 | 28 | 20 | 60 | 60 | 66 | 73 | 80 |
| | To maintain and manage the streets and storm water infrastructure of the municipal area | 161 | 158 | 182 | 185 | 689 | 689 | 209 | 230 | 253 |
| | To maintain and manage the water distribution networks of the municipality | 1 | 6 | 2 | 5 | 1 | 1 | 1 | 1 | 1 |
| | To maintain the municipality's vehicle fleet and mechanical equipment | 3 | – | 1 | 1 | 3 | 3 | 3 | 3 | 3 |
| | To manage and maintain Council's commonage areas | 2 | 7 | 21 | – | 28 | 28 | – | – | – |
| | To manage and maintain the municipality's commonage areas | 101 | 95 | 143 | 109 | 191 | 191 | 158 | 174 | 192 |
| | To manage bulk electricity purchases and electricity sales | 83,966 | 107,632 | 141,424 | 173,198 | 174,264 | 174,264 | 193,485 | 214,768 | 238,393 |
| | To manage the civil engineering services of the municipality | – | – | – | – | – | – | 1,189 | 1,255 | 1,327 |
| | To manage the electricity service delivery process in the municipal area | 362 | 410 | 449 | 469 | 536 | 536 | 590 | 649 | 714 |
| | To manage the housing delivery process of the municipality | 929 | 2,155 | 3,267 | 1,300 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 |
| | To manage the planning activities of basic water services | 344 | 57 | – | – | – | – | – | – | – |
| | To manage the sewerage purification plants of the municipality | 15,762 | 17,220 | 18,593 | 19,722 | 21,115 | 21,115 | 23,665 | 23,840 | 25,508 |
| | To manage the water production service of the municipality | 30,526 | 34,312 | 35,927 | 40,390 | 40,571 | 40,571 | 43,412 | 46,454 | 49,708 |
| | To promote road safety in terms of legislation in the municipal area | 6,200 | 5,686 | 6,647 | 7,277 | 6,957 | 6,957 | 7,381 | 8,120 | 8,932 |
| | To provide a building maintenance service to Council's buildings | 32 | 39 | 62 | 57 | – | – | – | – | – |
| | To provide a fire brigade service in the municipal area | 63 | 94 | 70 | 55 | 34 | 34 | 40 | 44 | 48 |
| | To provide a security service for the municipality's assets | 7 | – | – | – | – | – | – | – | – |
| | To provide and maintain basic services | – | – | 800 | – | – | – | – | – | – |
| | To provide basic human development opportunities to the local community | 330 | 1,094 | 604 | 573 | 603 | 603 | 981 | 1,064 | 1,150 |
| | To provide sustainable recreational programme to the local community | 3 | 7 | 27 | 7 | – | – | – | – | – |
| | To render a primary health care service to the community | 968 | 1,004 | 1,104 | 1,180 | 1,180 | 1,180 | 1,209 | 1,275 | 1,332 |
| | To render a refuse removal service to the community | 11,127 | 12,552 | 14,390 | 15,739 | 17,037 | 17,037 | 22,659 | 24,245 | 25,942 |
| | To render a sanitation service to the community | 1,189 | 1,787 | 1,746 | 1,792 | 2,333 | 2,333 | 2,496 | 2,671 | 2,858 |
| | To render an environmental health service to the community | 5,136 | 122 | 15 | 16 | 7 | 7 | 7 | 8 | 9 |
| KPA 3: Good Governance and Public Participation | None | 57 | 13 | – | – | – | – | – | – | – |
| | To determine and monitor good governance practices required by legislation for municipal councillors | 26,957 | 34,974 | 38,105 | 40,859 | 41,944 | 41,944 | 48,654 | 52,082 | 55,751 |
| | To effectively, efficiently and economically manage the Directorate Corporate Services | – | – | 2 | – | – | – | – | – | – |
| | To manage and maintain Council's offices and buildings | 183 | 266 | 257 | 249 | 290 | 290 | 313 | 345 | 379 |
| | To manage and to ensure that all resources of the municipality is used effectively, efficiently and economically in terms of the strategic objectives of the IDP | – | – | – | – | 3 | 3 | – | – | – |
| | To provide an administrative support service to departments and Council | 309 | 70 | 39 | 50 | 0 | 0 | 0 | 0 | 0 |
| | To render an internal audit service to the departments and Council | – | – | 0 | – | – | – | – | – | – |
| KPA 4: Municipal Institutional Development and Transformation | None | – | 80 | – | – | – | – | – | – | – |
| | To manage the spending of conditional grants on financial HR development and systems | 1,065 | 751 | 860 | 1,450 | 2,135 | 2,135 | 1,500 | 1,750 | 1,750 |
| | To manage the spending of conditional grants on the improvement of municipal systems and programmes | 1,509 | 735 | 512 | 790 | 1,193 | 1,193 | 800 | 900 | 950 |
| | To provide a human resources support service to departments and Council | 349 | 384 | 322 | 451 | 767 | 767 | 813 | 862 | 914 |
| KPA 5: Local Economic Development | To manage Council's nature reserve | 87 | 91 | 96 | 101 | 101 | 101 | 107 | 117 | 129 |
| | To promote local economic development in the municipal area | 60 | 207 | 33 | 3 | 154 | 154 | – | – | – |
| | To promote local economic development in the municipal area | 59 | 44 | – | 50 | – | – | – | – | – |
| | To promote tourism in the municipal area | 4,399 | 5,047 | 3,640 | 5,007 | 4,758 | 4,758 | 5,222 | 5,743 | 6,317 |
| | Allocations to other priorities | – | – | – | – | – | – | – | – | – |
| Total Revenue (excluding capital transfers and contributions) | | 243,709 | 306,547 | 357,817 | 439,207 | 413,858 | 413,858 | 452,378 | 479,793 | 524,683 |

**Table 30 MBRR Table SA5 –
Reconciliation between the IDP strategic objectives and budgeted operating expenditure**

| Strategic Objective / R thousand | Goal | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| KPA 1: Municipal Financial Viability and Management | To manage and account for all revenue raised and expenditure incurred in the municipality | 28,197 | 29,232 | 28,971 | 29,066 | 32,252 | 32,252 | 34,747 | 37,548 | 40,458 |
| | To manage the accounting, impairment and disposal of assets | – | – | – | – | – | – | – | – | – |
| | To manage the financial accounting activities of the Group Life Beneficiaries Funds | 174 | 136 | 124 | – | – | – | – | – | – |
| KPA 2: Basic Service Delivery | None | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 |
| | To construct new roads infrastructure in the municipal area | – | – | – | – | 0 | 0 | – | – | – |
| | To effectively, efficiently and economically manage the town planning functions in the municipal area | 2,068 | 2,316 | 3,261 | 3,893 | 5,079 | 5,079 | 3,955 | 4,142 | 4,428 |
| | To eradicate bucket systems backlogs | 657 | – | – | – | – | – | – | – | – |
| | To eradicate housing backlogs in the municipal area | 3,556 | 31,990 | 33,790 | – | 2,495 | 2,495 | – | – | – |
| | To maintain and manage attractive parks in the municipal area | 677 | 453 | 263 | 297 | 396 | 396 | 448 | 485 | 525 |
| | To maintain and manage the municipality's cemeteries | 832 | 812 | 1,543 | 2,381 | 3,595 | 3,595 | 2,775 | 2,987 | 3,202 |
| | To maintain and manage the municipality's electrical installations at PPE | 2,920 | 2,947 | 3,129 | 3,885 | 3,953 | 3,953 | 4,022 | 4,321 | 4,628 |
| | To maintain and manage the municipality's electricity distribution networks | 3,796 | 4,478 | 4,566 | 5,001 | 4,972 | 4,972 | 5,334 | 5,723 | 6,122 |
| | To maintain and manage the municipality's parks | 8,041 | 8,872 | 10,581 | 11,496 | 11,592 | 11,592 | 14,367 | 15,411 | 16,455 |
| | To maintain and manage the municipality's sport facilities | 2,069 | 2,250 | 2,806 | 2,903 | 2,827 | 2,827 | 3,169 | 3,408 | 3,653 |
| | To maintain and manage the municipality's swimming pools | 1,578 | 1,814 | 1,949 | 2,062 | 2,065 | 2,065 | 2,209 | 2,375 | 2,543 |
| | To maintain and manage the sewerage distribution networks of the municipality | 2,200 | 2,361 | 3,601 | 3,660 | 3,236 | 3,236 | 3,880 | 3,696 | 4,487 |
| | To maintain and manage the streets and storm water infrastructure of the municipal area | 10,360 | 10,189 | 12,373 | 13,007 | 12,711 | 12,711 | 14,551 | 15,694 | 15,642 |
| | To maintain and manage the water distribution networks of the municipality | 4,842 | 5,882 | 8,575 | 8,194 | 6,609 | 6,609 | 6,191 | 6,189 | 7,186 |
| | To maintain the municipality's vehicle fleet and mechanical equipment | 1,514 | (680) | 7,306 | 3,158 | (2,299) | (2,299) | 5,708 | 7,586 | 9,247 |
| | To manage and maintain Council's commonage areas | 2 | 7 | 21 | 15 | 28 | 28 | – | – | – |
| | To manage and maintain the municipality's commonage areas | 38 | 35 | 56 | 75 | 74 | 74 | 152 | 162 | 171 |
| | To manage bulk electricity purchases and electricity sales | 45,852 | 61,010 | 79,207 | 100,300 | 100,086 | 100,086 | 115,576 | 131,155 | 148,835 |
| | To manage conditional grant spending on sport and recreation activities | 60 | – | – | – | – | – | – | – | – |
| | To manage the civil engineering services of the municipality | 597 | 589 | 1,434 | 1,148 | 1,633 | 1,633 | 843 | 948 | 1,047 |
| | To manage the electricity service delivery process in the municipal area | 12,061 | 14,895 | 19,835 | 21,331 | 16,381 | 16,381 | 19,030 | 20,706 | 22,258 |
| | To manage the housing delivery process of the municipality | 1,564 | 1,838 | 3,228 | 2,722 | 4,085 | 4,085 | 3,046 | 3,272 | 3,496 |
| | To manage the planning activities of basic water services | 344 | 57 | – | – | – | – | – | – | – |
| | To manage the sewerage purification plants of the municipality | 10,245 | 13,170 | 12,937 | 13,893 | 14,290 | 14,290 | 16,151 | 17,216 | 18,331 |
| | To manage the water production service of the municipality | 17,422 | 21,599 | 22,511 | 24,422 | 22,891 | 22,891 | 26,325 | 28,414 | 30,455 |
| | To promote job creation through basic service delivery | – | – | – | – | 97 | 97 | – | – | – |
| | To promote road safety in terms of legislation in the municipal area | 6,932 | 7,521 | 8,499 | 9,411 | 9,238 | 9,238 | 10,029 | 10,805 | 11,596 |
| | To provide a building maintenance service to Council's buildings | 872 | 945 | 761 | 991 | 929 | 929 | 994 | 1,065 | 1,137 |
| | To provide a disaster management service in the municipal area | 297 | 404 | 729 | 915 | 547 | 547 | 537 | 574 | 611 |
| | To provide a fire brigade service in the municipal area | 4,316 | 5,262 | 6,892 | 7,985 | 7,370 | 7,370 | 8,596 | 9,260 | 9,931 |
| | To provide a security service for the municipality's assets | 5,758 | 7,406 | 10,661 | 12,626 | 11,735 | 11,735 | 12,961 | 13,912 | 14,863 |
| | To provide an IT service to departments and Council | 707 | 972 | 2,368 | 2,463 | 2,229 | 2,229 | 2,361 | 2,561 | 2,763 |
| | To provide and maintain basic services | – | – | 1,566 | – | – | – | – | – | – |
| | To provide basic human development opportunities to the local community | 2,005 | 2,157 | 2,847 | 3,103 | 3,532 | 3,532 | 3,392 | 3,647 | 3,903 |
| | To provide sustainable recreational programme to the local community | 575 | 745 | 1,137 | 1,191 | 1,355 | 1,355 | 1,293 | 1,382 | 1,470 |
| | To render a primary health care service to the community | 1,162 | 1,201 | 1,327 | 1,468 | 1,434 | 1,434 | 1,615 | 1,736 | 1,858 |
| | To render a refuse removal service to the community | 16,631 | 20,908 | 20,957 | 22,510 | 22,404 | 22,404 | 22,547 | 23,964 | 25,408 |
| | To render a sanitation service to the community | 1,547 | 2,181 | 2,701 | 3,288 | 3,018 | 3,018 | 4,319 | 4,623 | 4,931 |
| | To render an environmental health service to the community | 1,843 | 2,309 | 2,840 | 3,073 | 3,308 | 3,308 | 3,619 | 3,883 | 4,147 |
| KPA 3: Good Governance and Public Participation | None | 83 | 53 | 25 | 24 | – | – | – | – | – |
| | To determine and monitor good governance practices required by legislation for municipal councillors | 9,217 | 5,779 | 7,078 | 6,163 | 9,126 | 9,126 | 7,217 | 7,907 | 8,433 |
| | To effectively, efficiently and economically manage the Directorate Infrastructure Development Services | 1,460 | 714 | 1,736 | 3,098 | 1,949 | 1,949 | 3,238 | 3,465 | 3,688 |
| | To effectively, efficiently and economically manage the performance of the vehicle fleet | – | – | – | 733 | 634 | 634 | 847 | 914 | 985 |
| | To effectively, efficiently and economically manage the Directorate Corporate Services | 1,933 | 675 | 1,047 | 1,012 | 936 | 936 | 947 | 1,016 | 1,093 |
| | To effectively, efficiently and economically manage the Directorate Developmental Services | 1,050 | 1,103 | 1,197 | 1,268 | 1,516 | 1,516 | 1,489 | 1,595 | 1,702 |
| | To manage and maintain Council's offices and buildings | 630 | 846 | 947 | 1,000 | 1,214 | 1,214 | 1,598 | 1,759 | 1,909 |
| | To manage and to ensure that all resources of the municipality is used effectively, efficiently and economically in terms of the strategic objectives of the IDP | 6,794 | 101,233 | 151,080 | 8,056 | 21,002 | 21,002 | 15,502 | 11,938 | 12,919 |
| | To manage strategic operations and public relations in the municipality | 276 | 518 | 4,777 | 3,766 | 5,824 | 5,824 | 4,621 | 4,943 | 5,256 |
| | To manage the strategic planning and performance management processes of the municipality | – | 79 | 986 | 1,801 | 1,438 | 1,438 | 2,913 | 3,262 | 3,609 |
| | To provide an administrative support service to departments and Council | 4,652 | 5,797 | 5,885 | 6,222 | 5,746 | 5,746 | 4,308 | 4,763 | 5,210 |
| | To render an effective legal service and advice to departments and Council | 16 | 41 | 256 | 1,285 | 1,538 | 1,538 | 1,558 | 1,709 | 1,873 |
| | To render an internal audit service to the departments and Council | 348 | 439 | 672 | 656 | 1,205 | 1,205 | 1,230 | 1,361 | 1,487 |
| KPA 4: Municipal Institutional Development and Transformation | None | – | 80 | – | – | – | – | – | – | – |
| | To manage the spending of conditional grants on financial HR development and systems | 1,060 | 751 | 860 | 1,450 | 2,453 | 2,453 | 1,500 | 1,750 | 1,750 |
| | To manage the spending of conditional grants on the improvement of municipal systems and programmes | 1,505 | 735 | 512 | 790 | 1,223 | 1,223 | 800 | 900 | 950 |
| | To provide a human resources support service to departments and Council | 2,602 | 1,326 | 4,021 | 4,573 | 4,818 | 4,818 | 5,862 | 6,405 | 6,848 |
| KPA 5: Local Economic Development | To promote local economic development in the municipal area | 59 | 207 | 33 | 30 | 367 | 367 | – | – | – |
| | To promote local economic development in the municipal area | 710 | 904 | 1,052 | 1,339 | 1,054 | 1,054 | 1,151 | 1,245 | 1,339 |
| | To promote tourism in the municipal area | 6,159 | 6,945 | 8,452 | 8,990 | 9,217 | 9,217 | 9,172 | 9,885 | 10,615 |
| Allocations to other priorities | | | | | | | | | | |
| Total Expenditure | | 242,867 | 396,490 | 515,968 | 374,189 | 387,407 | 387,407 | 418,697 | 453,667 | 495,452 |

**Table 31 MBRR Table SA7 –
Reconciliation between the IDP strategic objectives and budgeted capital expenditure**

| Strategic Objective / R thousand | Goal | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| KPA 1: Municipal Financial Viability and Management | To manage and account for all revenue raised and expenditure incurred in the municipality | 14 | 129 | 142 | – | 87 | 87 | – | – | – |
| KPA 2: Basic Service Delivery | To effectively, efficiently and economically manage the town planning functions in the municipal area | – | 20 | – | – | 98 | 98 | – | – | – |
| | To maintain and manage attractive parks in the municipal area | – | – | 5 | – | 30 | 30 | – | – | – |
| | To maintain and manage the municipality's cemeteries | – | 223 | 48 | 1,000 | 4,191 | 4,191 | – | – | – |
| | To maintain and manage the municipality's electrical installations at PPE | 0 | 14 | – | – | – | – | – | – | – |
| | To maintain and manage the municipality's electricity distribution networks | – | 37 | – | – | – | – | – | – | – |
| | To maintain and manage the municipality's parks | 11 | 198 | 41 | – | 49 | 49 | – | – | – |
| | To maintain and manage the municipality's sport facilities | 172 | 1,139 | 271 | – | 4,134 | 4,134 | – | 3,764 | 4,076 |
| | To maintain and manage the municipality's swimming pools | – | 99 | – | 65 | – | – | – | – | – |
| | To maintain and manage the sewerage distribution networks of the municipality | – | 1,896 | – | – | 1,339 | 1,339 | – | – | 5,002 |
| | To maintain and manage the streets and storm water infrastructure of the municipal area | 4,426 | 1,010 | 6,794 | 36,550 | 29,145 | 29,145 | 23,992 | 8,303 | – |
| | To maintain and manage the water distribution networks of the municipality | 5,119 | 823 | 727 | 7,825 | 7,244 | 7,244 | 9,114 | 600 | 600 |
| | To maintain the municipality's vehicle fleet and mechanical equipment | 279 | 9,266 | 1,385 | 12,975 | 26,645 | 26,645 | 5,700 | 10,912 | – |
| | To manage the civil engineering services of the municipality | 4 | 12 | – | – | – | – | – | – | – |
| | To manage the electricity service delivery process in the municipal area | 12,048 | 5,056 | 11,359 | 25,706 | 22,318 | 22,318 | 23,026 | 10,255 | 12,524 |
| | To manage the housing delivery process of the municipality | 3 | – | 26 | – | – | – | – | – | – |
| | To manage the sewerage purification plants of the municipality | – | 95 | 1,951 | 24,900 | 904 | 904 | 5,500 | 11,258 | 13,744 |
| | To manage the water production service of the municipality | 3,019 | 3,911 | 1,327 | 25,230 | 4,450 | 4,450 | 5,926 | – | – |
| | To promote road safety in terms of legislation in the municipal area | 73 | 123 | 366 | 160 | 355 | 355 | – | – | – |
| | To provide a building maintenance service to Council's buildings | – | – | – | – | – | – | – | – | – |
| | To provide a disaster management service in the municipal area | – | – | – | – | – | – | – | – | – |
| | To provide a fire brigade service in the municipal area | 20 | 6 | 1,908 | – | 18 | 18 | – | – | – |
| | To provide a security service for the municipality's assets | 22 | 515 | 77 | – | 50 | 50 | – | – | – |
| | To provide an IT service to departments and Council | 65 | 499 | 382 | – | 674 | 674 | – | – | – |
| | To provide basic human development opportunities to the local community | 57 | 26 | 216 | – | 267 | 267 | – | – | – |
| | To provide sustainable recreational programme to the local community | – | 24 | – | – | – | – | – | – | – |
| | To render a primary health care service to the community | – | 82 | 40 | – | – | – | – | – | – |
| | To render a refuse removal service to the community | 304 | 459 | 37 | 766 | 566 | 566 | – | 2,457 | – |
| | To render a sanitation service to the community | – | – | – | – | – | – | – | 400 | – |
| | To render an environmental health service to the community | 13 | – | 44 | 100 | 25 | 25 | – | – | – |
| KPA 3: Good Governance and Public Participation | None | – | – | – | – | – | – | – | – | – |
| | To determine and monitor good governance practices required by legislation for municipal councillors | 163 | 485 | 16 | 1,400 | 1,684 | 1,684 | 2,800 | 2,800 | 2,800 |
| | To effectively, efficiently and economically manage the Directorate Infrastructure Development Services | – | – | – | – | 8 | 8 | – | – | – |
| | To effectively, efficiently and economically manage the performance of the vehicle fleet | – | – | – | – | 30 | 30 | – | – | – |
| | To effectively, efficiently and economically manage the Directorate Corporate Services | 79 | 3 | – | – | 31 | 31 | – | – | – |
| | To effectively, efficiently and economically manage the Directorate Developmental Services | – | – | 56 | – | 8 | 8 | – | – | – |
| | To manage and maintain Council's offices and buildings | 322 | 314 | 1,034 | – | 14 | 14 | – | – | – |
| | To manage and to ensure that all resources of the municipality is used effectively, efficiently and economically in terms of the strategic objectives of the IDP | 19 | 5 | 23 | 2,600 | 294 | 294 | 1,150 | 1,545 | 1,940 |
| | To manage strategic operations and public relations in the municipality | 20 | – | 56 | – | 20 | 20 | – | – | – |
| | To manage the strategic planning and performance management processes of the municipality | 101 | 431 | 1,372 | – | 20 | 20 | – | – | – |
| | To provide an administrative support service to departments and Council | 17 | 294 | 3,454 | 15,000 | 1,544 | 1,544 | – | – | 17,568 |
| | To render an effective legal service and advice to departments and Council | 9 | 16 | – | – | 4 | 4 | – | – | – |
| | To render an internal audit service to the departments and Council | 1 | 60 | 2 | – | 1 | 1 | – | – | – |
| KPA 4: Municipal Institutional Development and Transformation | To provide a human resources support service to departments and Council | – | 91 | 39 | – | – | – | – | – | – |
| KPA 5: Local Economic Development | To promote local economic development in the municipal area | 71 | 174 | 42 | – | 24 | 24 | 510 | – | – |
| | To promote tourism in the municipal area | 28 | 643 | 75 | – | 67 | 67 | – | – | – |
| Allocations to other priorities | | | | | | | | | | |
| Total Capital Expenditure | | 26,479 | 28,179 | 33,313 | 154,277 | 106,336 | 106,336 | 77,718 | 52,295 | 58,254 |

2.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assess and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

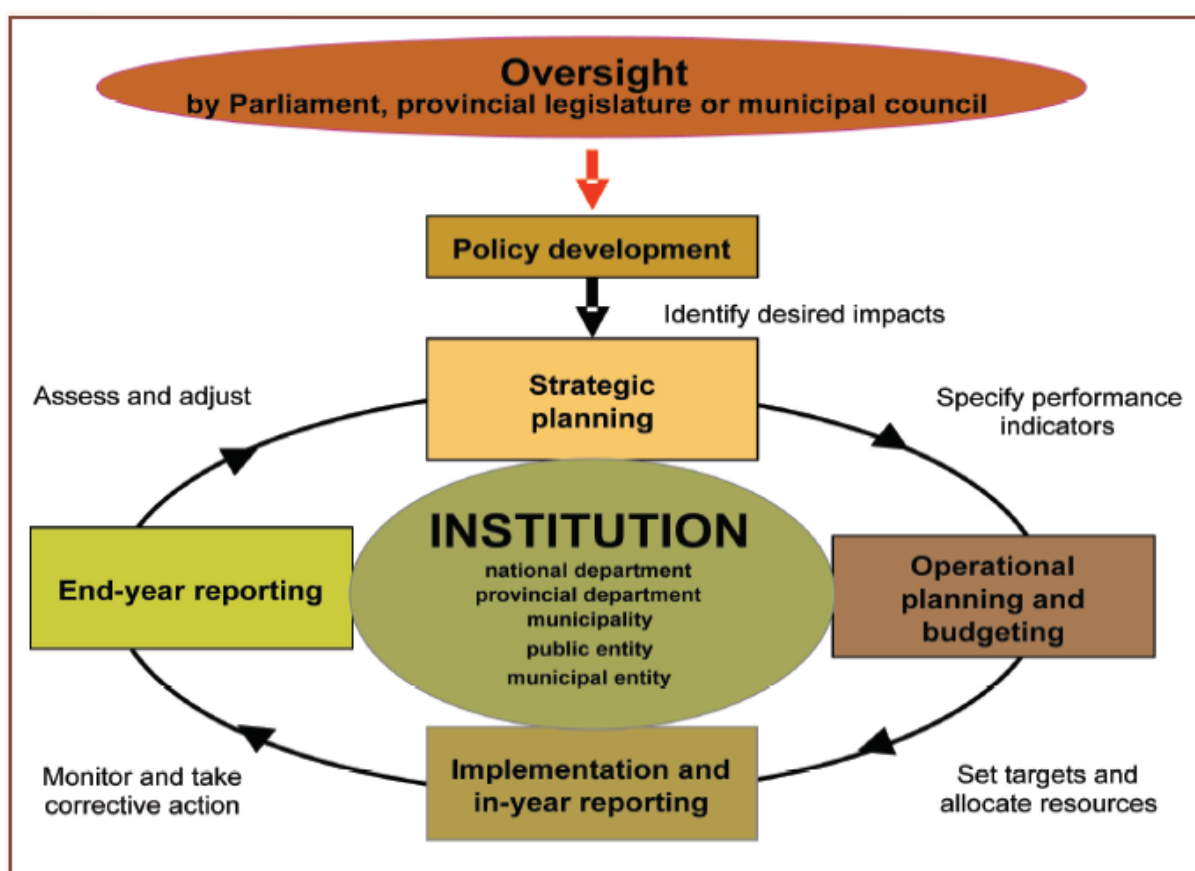


Figure 5 Planning, budgeting and reporting cycle

The performance of the municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose);
and
- Improvement (making changes where necessary).

The performance information concepts used by the municipality in its integrated performance management system are aligned to the ***Framework of Managing Programme Performance Information*** issued by the National Treasury:

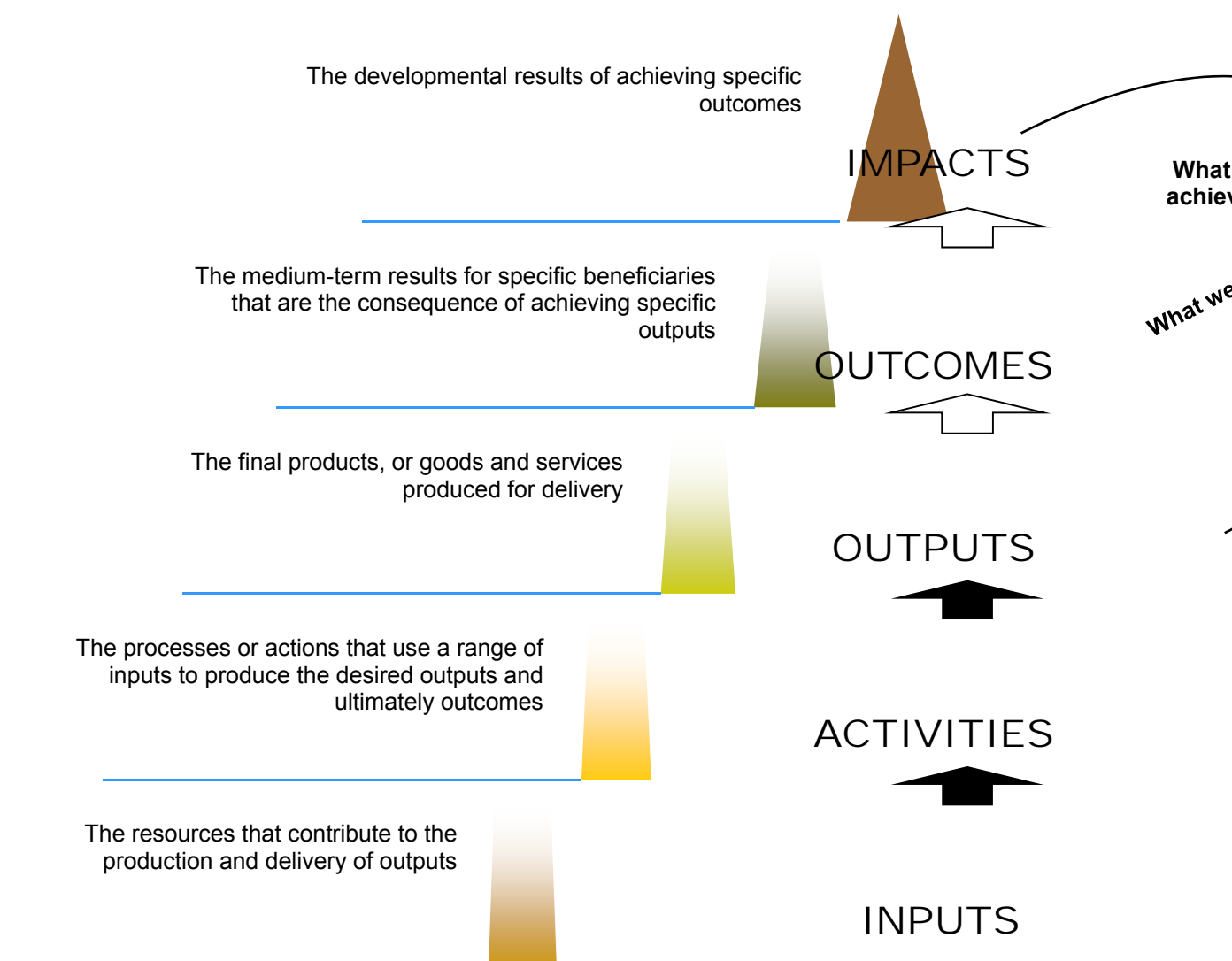


Figure 6 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

Table 32 MBRR Table SA7 - Measurable performance objectives

| | | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|--|----------------------------|--|--|--|--|--|--|--|--|--|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Description | Unit of measurement | | | | | | | | | |
| Municipal Manager | | | | | | | | | | |
| Poverty & Unemployment | | | | | | | | | | |
| 0031: Local Economic Development | | | | | | | | | | |
| To create conducive environment for growth in the local economy | Number of jobs | 1,584 | 534 | 365 | 450 | 450 | 450 | 550 | 600 | 600 |
| 1001: Vegetable Project | | | | | | | | | | |
| Percentage of operating expenditure spent | Percentage | 98.0% | 69.0% | 95.0% | 95.0% | 95.0% | 95% | 95.0% | 95.0% | 95.0% |
| Housing/Town Planning and Land Use Management | | | | | | | | | | |
| 0010: Uppington Housing Rentals | | | | | | | | | | |
| Percentage of operating budget expenditure spent | Percentage | 100.0% | 100.0% | 95.0% | 95.0% | 95.0% | 95% | 95.0% | 95.0% | 95.0% |
| 1015: Housing Projects | | | | | | | | | | |
| Build BNG houses | Number | 0 | 223 | 710 | 1 000 | 1 000 | 1 000 | 1 200 | 1 500 | 1 500 |
| Road & Transport Infrastructure | | | | | | | | | | |
| 0034: Fleet Management | | | | | | | | | | |
| Monitoring and reporting (quarterly) on economic, effective and efficient fleet management | Monthly Report | Not | Not | Not | 12 Reports | 12 Reports | 12 Reports | 12 Reports | 12 Reports | 12 Reports |
| Lack of Sport, Park & Recreation Facilities & General Appearance of Town | | | | | | | | | | |
| 0051: Island Holiday Resort | | | | | | | | | | |
| Occupancy rate of chalets and caravan sites | Number | 130,219 | 56,687 | 56,800 | 57,000 | 57,000 | 57 000 | 57,200 | 57,300 | 57,300 |
| 0054: Gordonia Holiday Resort | | | | | | | | | | |
| Percentage of operating budget expenditure spent | Percentage | 100.0% | 744.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| Communication Gaps and Communication Facilities | | | | | | | | | | |
| 0017: Intergovernmental Relations | | | | | | | | | | |
| Percentage of operating budget expenditure spent | Percentage | 100.0% | 32.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| Other Focus Areas | | | | | | | | | | |
| 0002: Municipal Council | | | | | | | | | | |
| Percentage of capital budget spent | Percentage | 100.0% | 78.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| 0005: Museum | | | | | | | | | | |
| Percentage of capital budget spent | Percentage | 0.0% | 0.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| 0006: Tourism and Marketing | | | | | | | | | | |
| Percentage of operating budget revenue raised/collected | Percentage | 27.0% | 109.0% | 99.0% | 99.0% | 99.0% | 99.0% | 99.0% | 99.0% | 99.0% |
| 0008: Strategic Operations and Public | | | | | | | | | | |
| Percentage of capital budget spent | Percentage | 87.0% | 0.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| 0011: Municipal Manager | | | | | | | | | | |
| Measure performance of Municipal Manager as per SDBIP | Quarterly Report | Fully Effective | Above Expectation | Above Expectation | Fully Effective | Fully Effective | Fully Effective | Fully Effective | Fulle Effective | Fulle Effective |
| 0013: Youth Council | | | | | | | | | | |
| Percentage of operating budget expenditure spent | Percentage | 100.0% | 100.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| 0019: IDP & PMS | | | | | | | | | | |
| | Narrlive | IDP approved in line with legislation | IDP approved in line with legislation | IDP approved in line with legislation | IDP approved in line with legislation | IDP approved in line with legislation | IDP approved in line with legislation | IDP approved in line with legislation | IDP approved in line with legislation | IDP approved in line with legislation |
| Compile / review IDP on an annual basis | | | | | | | | | | |
| 0032: Internal Audit | | | | | | | | | | |
| Audit Reports / AC Minutes | Audit Reports / AC Minutes | Audit Plan fully executed / 2 AC meetings | Audit Plan fully executed / 4 AC meetings | Audit Plan fully executed / 4 AC meetings | Audit Plan fully executed / 4 AC Meetings | Audit Plan fully executed / 4 AC Meetings | Audit Plan fully executed / 4 AC Meetings | Audit Plan fully executed / 4 AC Meetings | Audit Plan fully executed / 4 AC Meetings | Audit Plan fully executed / 4 AC Meetings |
| Monitoring of the activities in the Internal Audit Plan and Audit Committee meetings | | | | | | | | | | |
| 1009: Activism Against Women & Children | | | | | | | | | | |
| Percentage of operating budget revenue raised / collected | Percentage | 100.0% | 100.0% | 99.0% | 99.0% | 99.0% | 99.0% | 99.0% | 99.0% | 99.0% |
| 1020: Youth in Human Settlements | | | | | | | | | | |
| Percentage of operating budget revenue raised / collected | Percentage | 0.0% | 100.0% | 99.0% | 99.0% | 99.0% | 99.0% | 99.0% | 99.0% | 99.0% |
| Corporate Services | | | | | | | | | | |
| Other Focus Areas | | | | | | | | | | |
| 0001: Administration | | | | | | | | | | |
| Keeping of archive and records compliant with legislation | Narrative | File plan in lin with National Archives and Records Service Acts | File plan in lin with National Archives and Records Service Acts | File plan in lin with National Archives and Records Service Acts | File plan in lin with National Archives and Records Service Acts | File plan in lin with National Archives and Records Service Acts | File plan in lin with National Archives and Records Service Acts | File plan in lin with National Archives and Records Service Acts | File plan in lin with National Archives and Records Service Acts | File plan in lin with National Archives and Records Service Acts |
| 0004: Property Administration | | | | | | | | | | |
| Keeping of hall rental registers | Narrlive | 100% Evidence in terms of bookings / requests for use | 100% Evidence in terms of bookings / requests for use | 100% Evidence in terms of bookings / requests for use | 100% Evidence in terms of bookings / requests for use | 100% Evidence in terms of bookings / requests for use | 100% Evidence in terms of bookings / requests for use | 100% Evidence in terms of bookings / requests for use | 100% Evidence in terms of bookings / requests for use | 100% Evidence in terms of bookings / requests for use |
| 0009: Human Resources | | | | | | | | | | |
| Reviewed and approved Employment Equity Plan as per legislation | Narrlive | Plan in place | Plan in place | Plan in place | Review and approve new pain | Review and approve new pain | Review and approve new pain | Review and approve new pain | Review and approve new pain | Review and approve new pain |
| 0033: Information Technology | | | | | | | | | | |
| Maintain information technology equipment, networks | Quarterly Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports |
| 0039: Legal Services | | | | | | | | | | |
| Report on legal supporting services rendered to municipal departments | Monthly Report | Function not in place | Function not in place | 9 Reports | 12 Reports | 12 Reports | 12 Reports | 12 Reports | 12 Reports | |
| Financial Services | | | | | | | | | | |
| Other Focus Areas | | | | | | | | | | |
| 0007: Directorate Financial Services | | | | | | | | | | |
| Render monthly accounts for municipal services delivered | Number | +/- 18 000 | +/- 18 500 | +/- 19 000 | +/- 20 000 | +/- 20 000 | +/- 20 000 | +/- 20 500 | +/- 21 000 | +/- 21 000 |
| 1002: Finance Management Grant | | | | | | | | | | |
| Building the capacity of financial or other interns | Number | 3 | 3 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| 1013: Municipal Systems Improvement | | | | | | | | | | |
| Improvement of policies, procedures and systems to address all compliance and other matters in the AG report | Narrative | Qualified with other matters | Unqualified with other matters | Unqualified with no other matters | Unqualified with no other matters | Unqualified with no other matters | Unqualified with no other matters | Unqualified with no other matters | Unqualified with no other matters | Unqualified with no other matters |
| Development Services | | | | | | | | | | |
| Road & Transport Infrastructure | | | | | | | | | | |
| 0035: Parking Area Development | | | | | | | | | | |
| Percentage of capital budget spent | Percentage | 51.0% | 0.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| Sewerage & Sanitation | | | | | | | | | | |
| 0026: Sanitation Services | | | | | | | | | | |
| Rendering of sanitation services as per service delivery programme | Days service not rendered | 0 | 1 -due to strike | 1 | 1 | 1 | 1 | 1 | 1 | 1 |

| | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|
| 0028: Vacuum Tank Services | Days service not rendered | 0 | 1 - due to strike | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| <i>Rendering of vacuum tank services on request</i> | | | | | | | | | | |
| 0029: Refuse Removal Services | Percentage | 98% | 98% | 95% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| <i>Percentage and number of households with access to basic refuse removal services</i> | | | | | | | | | | |
| Lack of Sport, Park & Recreation Facilities & General Appearance of Town | | | | | | | | | | |
| 0050: Parks | Quarterly Report | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports |
| <i>Maintenance of parks as per maintenance programme</i> | | | | | | | | | | |
| Lack of Sufficient Health Facilities and Other Services to all Communities | | | | | | | | | | |
| 0003: Libraries | Number and percentage of library material issued | 118,076 | 103,341 | 104,000 | 104,000 | 104,000 | 104,000 | 104,000 | 104,000 | 104,000 |
| 1004: Masincedane Library Project | Percentage | 79% | 37% | 95% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| 0020: Traffic Services | Number / Percentage | 9 718 / 32% | 14 489 / 35% | 11 384 / 34% | 14 901 / 39% | 14 901 / 39% | 14 901 / 39% | 15 795 / 41% | 16 743 / 43% | 16 743 / 43% |
| <i>Number of fines issued and percentage collected</i> | | | | | | | | | | |
| 0021: Fire Brigade Services | Percentage / Number | 81% / 113 | 70% / 113 | 80% | 80.0% | 80.0% | 80.0% | 80.0% | 80.0% | 80.0% |
| <i>Percentage of call-outs responded to within the required response times</i> | | | | | | | | | | |
| 0023: Disaster Management | Reviewed DMP | DMP Reviewed | DMP Reviewed | DMP Reviewed | DMP Reviewed | DMP Reviewed | DMP Reviewed | DMP Reviewed | DMP Reviewed | DMP Reviewed |
| <i>Review Disaster Management Plan annually as required by legislation</i> | | | | | | | | | | |
| 0025: Environmental Health Services | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports |
| <i>As per national legislation scope of practise required Environmental Health to perform water monitoring, food control, waste management and general hygiene monitoring, health surveillance of premises, control monitoring, environmental pollution, monitoring the disposal of the dead, road to indicators</i> | | | | | | | | | | |
| 0029: Primary Health Care Services | Percentage | 0% | 91% | 95% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| <i>Percentage of capital budget spent</i> | | | | | | | | | | |
| Other Focus Areas | | | | | | | | | | |
| 0024: Security Services | Monthly Report / Updated occurrence register | 12 Reports / Updated Register | 12 Reports / Updated Register | 12 Reports / Updated Register | 12 Reports / Updated Register | 12 Reports / Updated Register | 12 Reports / Updated Register | 12 Reports / Updated Register | 12 Reports / Updated Register | 12 Reports / Updated Register |
| <i>Render a security service pertaining to municipal assets and by-laws</i> | | | | | | | | | | |
| 0036: Director Development Services | Percentage | 0% | 0% | 95% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| <i>Percentage of capital budget spent</i> | | | | | | | | | | |
| Technical Services | | | | | | | | | | |
| Housing / Town Planning and Land Use Management | | | | | | | | | | |
| 0018: Housing and Development | Number | 8,823 | 8,600 | 7,890 | 6,890 | 6,890 | 6,890 | 5,690 | 4,890 | 4,890 |
| <i>Identify and manage the development of housing backlogs</i> | | | | | | | | | | |
| 1010: Housing Accreditation | Percentage | 100% | 0% | 95% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| <i>Percentage of capital budget spent</i> | | | | | | | | | | |
| 1016: Construction of Toilets | Percentage | 88% | 0% | 0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| <i>Percentage of operating budget expenditure spent</i> | | | | | | | | | | |
| 0030: Town Planning and Building Control | Percentage | 100% | 100% | 100% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| <i>Town Planning applications processed within prescribed timeframes</i> | | | | | | | | | | |
| 0043: Commonage | Percentage | 83% | 88% | 95% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| <i>Percentage of operating budget expenditure spent</i> | | | | | | | | | | |
| 0053: Spitskop | Percentage | 105% | 102% | 99% | 99.0% | 99.0% | 99.0% | 99.0% | 99.0% | 99.0% |
| <i>Percentage of operating budget revenue raised / collected</i> | | | | | | | | | | |
| 1017: Commonage Fund (Emerging) | Percentage | 100% | 100% | 95% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| <i>Percentage of operating budget expenditure spent</i> | | | | | | | | | | |
| Road & Transport Infrastructure | | | | | | | | | | |
| 0042: Workshop | Percentage | N/A | 72% | 90% | 90.0% | 90.0% | 90.0% | 90.0% | 90.0% | 90.0% |
| <i>Service vehicles and equipment within given timeframes</i> | | | | | | | | | | |
| 0046: Transport | Percentage | 0% | 86% | 95% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| <i>Percentage of capital budget spent</i> | | | | | | | | | | |
| 0041: Streets and Storm Water Drainage | Kilometres | N/A | N/A | 22.85 km | 22.85 km | 22.85 km | 22.85 km | ITBC | ITBC | ITBC |
| <i>Construction / Resealing of streets</i> | | | | | | | | | | |
| 0044: Main Roads | Percentage | 0% | 0% | 95% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| <i>Percentage of capital budget spent</i> | | | | | | | | | | |
| 1005: Extended Public Works Programme | Number | N/A | N/A | 298 | 359 | 359 | 359 | 436 | 480 | 480 |
| <i>Number of job opportunities created</i> | | | | | | | | | | |
| Sewerage & Sanitation | | | | | | | | | | |
| 0045: Sewerage Purification Plan | Narrative / Percentage | N/A | N/A | 50% | 60.0% | 60.0% | 60.0% | 70.0% | 80.0% | 80.0% |
| <i>Purify sewerage compliant with green drop status</i> | | | | | | | | | | |
| 0048: Sewerage Distribution Networks | Percentage of complaints attended to | 100% | 100% | 100% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| <i>Maintenance of distribution networks</i> | | | | | | | | | | |
| Electricity | | | | | | | | | | |
| 0059: Electricity Administration | Number / Percentage | 17 455 / 99% | 17 842 / 99% | 97% | 97.0% | 97.0% | 97.0% | 97.0% | 97.0% | 97.0% |
| <i>Number and percentage of households with access to basic electricity services</i> | | | | | | | | | | |
| 0060: Electricity Purchases / Sales | Percentage | 98% | 99% | 95% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| <i>Percentage of operating budget expenditure spent</i> | | | | | | | | | | |
| 0061: Electricity Maintenance | Quarterly Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports |
| <i>Maintenance of street lights electricity maintenance programme</i> | | | | | | | | | | |
| 0062: Electricity Distribution | Quarterly Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports |
| <i>Maintenance of electrical distribution networks as per maintenance programme</i> | | | | | | | | | | |
| Water | | | | | | | | | | |
| 0066: Water Production | Narrative / Percentage | N/A | 38% | 50% | 60.0% | 60.0% | 60.0% | 70.0% | 80.0% | 80.0% |
| <i>Purify raw water compliant with blue drop status</i> | | | | | | | | | | |
| 0067: Water Distribution | Percentage of requests (leaks, etc) attended to | 100% | 100% | 100% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| <i>Maintenance of water distribution networks</i> | | | | | | | | | | |
| 1018: Water Service Projects | Percentage | 100% | 11% | 95% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| <i>Percentage of operating budget expenditure spent</i> | | | | | | | | | | |
| Lack of Sufficient Health Facilities and Other Services to all Communities | | | | | | | | | | |
| 0049: Recreation Facilities | Percentage | 0% | 121% | 95% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| <i>Percentage of capital budget spent</i> | | | | | | | | | | |
| 0052: Swimming Pools | Quarterly Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports |
| <i>Maintenance of swimming pools as per maintenance programme</i> | | | | | | | | | | |
| 0055: Sport Grounds | Quarterly Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports |
| <i>Maintenance of sport grounds as per maintenance programme</i> | | | | | | | | | | |
| 0056: Reitz Park | Quarterly Reports | N/A | N/A | Responsible in terms of Council Resolution - 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports |
| <i>Maintenance of Reitz Park as per maintenance programme</i> | | | | | | | | | | |
| 1014: Grant: Department Sport, Arts and | Quarterly Reports | 100% | 0% | 0% | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports | 4 Reports |
| <i>Percentage of operating budget revenue raised / collected</i> | | | | | | | | | | |
| Lack of Sufficient Health Facilities and Other Services to all Communities | | | | | | | | | | |
| 0057: Cemeteries | Updated Register / Percentage | 100% Plots requested versus plots issued | 100% Plots requested versus plots issued | 100% Plots requested versus plots issued | 100% Plots requested versus plots issued | 100% Plots requested versus plots issued | 100% Plots requested versus plots issued | 100% Plots requested versus plots issued | 100% Plots requested versus plots issued | 100% Plots requested versus plots issued |
| <i>Keeping of cemetery registers as per legislation</i> | | | | | | | | | | |
| Other Focus Areas | | | | | | | | | | |
| 0037: Director Technical Services | Percentage | 0% | 1% | 95% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| <i>Percentage of capital budget spent</i> | | | | | | | | | | |
| 0040: Civil Engineering Services | Percentage | 100% | 98% | 95% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| <i>Percentage of capital budget spent</i> | | | | | | | | | | |
| 0047: Building Control Unit | Percentage | 100% | 108% | 99% | 99.0% | 99.0% | 99.0% | 99.0% | 99.0% | 99.0% |
| <i>Percentage of operating budget revenue raised / collected</i> | | | | | | | | | | |

The following table sets out the municipalities main performance objectives and benchmarks for the 2012/2013 MTREF.

Table 33 MBRR Table SA8 - Performance indicators and benchmarks

| Description of financial indicator | Basis of calculation | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|--|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| <u>Borrowing Management</u> | | | | | | | | | | |
| Credit Rating | | | | | | | | | | |
| Capital Charges to Operating Expenditure | Interest & Principal Paid /Operating Expenditure | 3.2% | 2.4% | 2.5% | 4.3% | 3.0% | 3.0% | 5.0% | 5.5% | 5.6% |
| Capital Charges to Own Revenue | Finance charges & Repayment of borrowing /Own Revenue | 4.0% | 4.1% | 4.8% | 5.1% | 3.7% | 3.7% | 5.9% | 6.4% | 6.6% |
| Borrowed funding of 'own' capital expenditure | Borrowing/Capital expenditure excl. transfers and grants and contributions | 320.1% | 24.8% | 79.4% | 91.7% | 92.4% | 92.4% | 91.2% | 84.2% | 84.5% |
| <u>Safety of Capital</u> | | | | | | | | | | |
| Gearing | Long Term Borrowing/ Funds & Reserves | 54.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| <u>Liquidity</u> | | | | | | | | | | |
| Current Ratio | Current assets/current liabilities | 0.5 | 1.1 | 0.8 | 0.7 | 0.5 | 0.5 | 0.5 | 0.6 | 0.7 |
| Current Ratio adjusted for aged debtors | Current assets less debtors > 90 days/current liabilities | 0.5 | 1.1 | 0.5 | 0.3 | 0.3 | 0.3 | 0.3 | 0.4 | 0.4 |
| Liquidity Ratio | Monetary Assets/Current Liabilities | 0.3 | 0.5 | 0.2 | 0.3 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| <u>Revenue Management</u> | | | | | | | | | | |
| Annual Debtors Collection Rate (Payment Level %) | Last 12 Mths Receipts/Last 12 Mths Billing | | 97.2% | 94.8% | 96.0% | 101.8% | 102.5% | 102.5% | 98.0% | 98.4% |
| Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue) | | | 97.2% | 94.8% | 96.0% | 101.8% | 102.5% | 102.5% | 98.0% | 98.4% |
| Outstanding Debtors to Revenue | Total Outstanding Debtors to Annual Revenue | 9.3% | 8.2% | 9.2% | 4.5% | 5.9% | 5.9% | 6.2% | 6.2% | 6.0% |
| Longstanding Debtors Recovered | Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old | | | | | | | | | |
| <u>Creditors Management</u> | | | | | | | | | | |
| Creditors System Efficiency | % of Creditors Paid Within Terms (within MFMA' s 65(e)) | 96.0% | 96.0% | 98.0% | 99.0% | 99.0% | 99.0% | 99.0% | 100.0% | 100.0% |
| Creditors to Cash and Investments | | 61.4% | 120.1% | 429.6% | 147.0% | 129.2% | 129.2% | 165.8% | 137.9% | 106.5% |
| <u>Other Indicators</u> | | | | | | | | | | |
| Electricity Distribution Losses (2) | % Volume (units purchased and generated less units sold)/units purchased and generated | 4.5% | 7.1% | 6.5% | 7.5% | 7.5% | 7.5% | 7.5% | 7.5% | 7.5% |
| Water Distribution Losses (2) | % Volume (units purchased and own source less units sold) / Total units purchased and own source | | | 26.1% | 15.0% | 15.0% | 15.0% | 10.0% | 10.0% | 10.0% |
| Employee costs | Employee costs / (Total Revenue - capital revenue) | 42.0% | 36.1% | 40.1% | 40.0% | 41.2% | 41.2% | 40.5% | 39.1% | 38.3% |
| Remuneration | Total remuneration / (Total Revenue - capital revenue) | 44.0% | 37.8% | 41.6% | 41.8% | 43.0% | 43.0% | 42.2% | 40.8% | 40.0% |
| Repairs & Maintenance | R&M / (Total Revenue excluding capital revenue) | 3.5% | 2.8% | 3.0% | 3.0% | 2.9% | 2.9% | 2.8% | 2.8% | 2.9% |
| Finance charges & Depreciation | FC&D / (Total Revenue - capital revenue) | 8.6% | 39.5% | 42.7% | 8.0% | 3.4% | 3.4% | 6.5% | 6.7% | 6.6% |
| <u>IDP regulation financial viability indicators</u> | | | | | | | | | | |
| i. Debt coverage | (Total Operating Revenue - Operating Grants) / Debt service payments due within financial year) | 27.7 | 28.0 | 22.6 | 44.5 | 44.5 | 44.5 | 23.3 | 22.1 | 24.2 |
| ii.O/S Service Debtors to Revenue | Total outstanding service debtors/annual revenue received for services | 11.8% | 11.3% | 12.6% | 5.6% | 7.4% | 7.4% | 7.6% | 7.6% | 7.4% |
| iii. Cost coverage | (Available cash + Investments) / monthly fixed operational expenditure | 1.5 | 0.9 | 0.2 | 0.5 | 0.5 | 0.5 | 0.3 | 0.4 | 0.4 |

2.3.1 Performance indicators and benchmarks

2.3.1.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, //Khara Hais Municipality's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the municipality's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2012/2013 MTREF:

- *Capital charges to operating expenditure* are a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing has steadily increased from 2.4% in 2009/2010 to 3.0% in 2011/2012. This increase can be attributed to the raising of loans to fund portions of the capital programme. It is estimated that the cost of borrowing as a percentage of the operating expenditure will reach 5.0% in 2012/2013 and will increase to 5.6% at the end of the MTREF. While borrowing is considered a prudent financial instrument in financing capital infrastructure development, this indicator will have to be carefully monitored going forward as the municipality has reached its prudential borrowing limits.
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing. The average over the MTREF is over 80% which substantiates the above mentioned statement that the municipality has reached its prudential borrowing limits.

The municipality's debt profile provides some interesting insights on the municipality's future borrowing capacity. Firstly, the use of amortising loans leads to high debt service costs at the beginning of the loan, which declines steadily towards the end of the loan's term.

The municipality has raised mainly amortising loans over the past five years, hence effectively 'front-loading' its debt service costs. This is reflected in the municipality's debt service profile, which predicts large debt service costs between 2012 and 2015. Debt service costs are expected to peak in 2015 due to the redemption of the last few term loans held by the municipality.

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the municipality to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs. As part of the compilation of the 2012/2013 MTREF the potential of smoothing out the debt profile over the longer term will be investigated.

2.3.1.2 Safety of Capital

The gearing ratio is a measure of the total long term borrowings over funds and reserves. In 2008/2009 the gearing ratio peaked at 54.1%. This was primarily a result of the increased borrowing levels and decreasing funds and reserves. However, the gearing ratio decreased

to 0% in the 2009/2010 financial year. The reason for this was that all cash-backed reserves for funding capital expenditure were depleted. It stays at 0% until 2014/2015. The medium term strategy is to steadily increase the gearing ratio to a level that does not exceed 50% as a prudential limit, hence, the municipality will have to find ways and means to get rid of unfunded mandates and to service land for resale purposes to build up cash back reserves for capital expenditure again. Also should investment in basic services infrastructure in formal and informal areas for breaking new ground housing purposes with the municipality's own reserves be recouped from national and provincial housing funding programmes. The municipality cannot carry on borrowing funds from external sources.

2.3.1.3 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the municipality has set a limit of 1, hence at no point in time should this ratio be less than 1. For the MTREF the current ratio is 0.5 in the 2012/2013 financial year and 0.6 and 0.7 for the two outer years of the MTREF. Going forward it will be necessary to improve these levels to the benchmark limit.
- *The liquidity ratio* is a measure of the ability of the municipality to utilise cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations. For the 2010/2011 financial year the ratio was 0.2 and as part of the financial planning strategy it has to increase to 1. However, it remains at 0.2 until 2014/2015. This needs to be considered a pertinent risk for the municipality as any under collection of revenue will translate into serious financial challenges for the municipality. As part of the longer term financial planning objectives this ratio will have to be set at a minimum of 1.

2.3.1.4 Revenue Management

As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection.

2.3.1.5 Creditors Management

The City has managed to ensure that creditors are settled within the legislated 30 days of receiving invoices. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure a 100% compliance rate to this legislative obligation. This has had a favourable impact on suppliers' perceptions of risk of doing business with the municipality, which is expected to benefit the municipality in the form of more competitive pricing of tenders, as suppliers compete for the municipality's business.

2.3.1.6 Other Indicators

- The electricity distribution losses have slightly increased from 6.5% in the 2010/2011 financial year to 7.5% over the MTREF. The initiatives to ensure these targets are achieved include managing illegal connections and theft of electricity by rolling out smart metering systems, including prepaid meters.
- The water distribution losses have been significantly reduced from 26.1% in 2010/2011 to 15.0% in 2011/2012. This has been achieved with the introduction of a water leakage report and action centre. It is planned to further reduce distribution losses from 15.0% in 2011/12 to 10% by 2014/2015.
- Employee costs as a percentage of operating revenue increases and decreases depending on factors like the implementation of housing programmes over the past and future financial years. Another factor that affects this percentage the high increase in bulk purchases which directly increase revenue levels. National Treasury has indicated in MFMA Circular No 59 that there is no benchmark to be measured against due to all these factors influencing it.
- Similar to that of employee costs, repairs and maintenance as percentage of operating revenue is also decreasing owing directly to cost drivers such as bulk purchases increasing far above inflation. In real terms, repairs and maintenance has increased as part of the municipality's strategy to ensure the management of its asset base.

2.3.2 Free Basic Services: basic social services package for indigent households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the municipality. With the exception of water, only registered indigents qualify for the free basic services.

For the 2012/2013 financial year 10,577 registered indigents have been provided for in the budget with this figure expecting to increase by 2014/2015. In terms of the municipality's indigent policy registered households are entitled to 10kl "free" water, 50 kWh "free" electricity, "free" sanitation and "free" waste removal services once a week, as well as a 100% discount on their property rates.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement) on [page 38](#).

Note that the number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through stand pipes, water tankers, and etcetera) are taken into account in the table noted above.

2.3.3 Providing clean water and managing waste water

The municipality is the Water Services Authority for the entire municipality in terms of the Water Services Act, 1997 and acts as water services provider. The municipality buys it raw water from DWA and extract it directly from the Orange River to purify it before distributing it to the local community.

The Department of Water Affairs conducts an annual performance rating of potable and waste water treatment works; presenting a Blue Drop or Green Drop award respectively to potable water treatment works and waste water treatment works that meet certain criteria of excellence.

Our purified drinking water is of exceptional quality free of e-coli although there is some management issues that has to be attended to before the municipality can obtain Blue Drop status in 2012/2013.

None of our waste water treatment works were awarded Green Drop status in 2011/2012, indicating that these plants will require renewals / upgrading to meet the minimum Green

Drop certification standards. This has been prioritised as part of the 2012/2013 medium term capital budget.

The following is briefly the main challenges facing the municipality in this regard:

- The infrastructure at most of the waste water treatment works is old and insufficient to treat the increased volumes of waste water to the necessary compliance standard;
- Shortage of skilled personnel makes proper operations and maintenance difficult; and
- There is a lack of proper regional catchment management, resulting in storm water entering the sewerage system.

The following are some of the steps that have been taken to address these challenges:

- Infrastructure shortcomings are being addressed through the capital budget in terms of a 5-year upgrade plan;
- The filling of vacancies has commenced and the Waste Water Division will embark on an in-house training programme, especially for operational personnel; and
- The Division is working in consultation with the Department of Water Affairs to address catchment management.

2.4 Overview of budget related-policies

The municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

2.4.1 Review of credit control and debt collection procedures/policies

The Customer Care, Credit Control, Debt Collection and Indigent Support Policy as approved by Council in May 2011 have been reviewed. Since our payment collection rate varied between 97.6% and 99.4% over the last five financial years, there was no need to change the Policy.

As most of the indigents within the municipal area are unable to pay for municipal services because they are unemployed, the Integrated Indigent Exit Programme aims to link the registered indigent households to development, skills and job opportunities. The programme also seeks to ensure that all departments as well as external role players are actively involved in the reduction of the number of registered indigent households.

The 2012/2013 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 102.5% on current billings. The first nine months of the 2011/2012 financial year yielded a collection rate of 102.5% due to government departments honouring their commitments. The municipality expects government departments to honour their past and future commitments during 2012/2013 to avoid their services being discontinued. In addition the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the municipality's cash levels. In addition, the municipality's payment incentive scheme through its Writing-Off of Irrecoverable Debt Policy seems to be working and it is taking the customers out of their spiral debt.

2.4.2 Asset Management, Infrastructure Investment and Funding Policy

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the municipality's revenue base. Within the framework, the need for asset renewal was considered a priority and hence the capital programme, where possible, was determined based on renewal of current assets versus new asset construction.

Further, continued improvements in technology generally allows many assets to be renewed at a lesser 'real' cost than the original construction cost. Therefore, it is considered prudent to allow for a slightly lesser continual level of annual renewal than the average annual depreciation. The Asset Management, Infrastructure and Funding Policy is therefore considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and is utilised as a guide to the selection and prioritisation of individual capital projects. In addition the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

2.4.3 Budget Adjustment Policy

The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the City continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

2.4.4 Supply Chain Management Policy

The Supply Chain Management Policy, to allow for legislation changes, was reviewed and adopted by Council in December 2011.

2.4.5 Budget and Virement Policy

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the municipality's system of delegations. The Budget and Virement Policy was reviewed and approved by Council in May 2011.

2.4.6 Cash Management and Investment Policy

The municipality's Cash Management and Investment Policy were amended by Council in May 2011. The aim of the policy is to ensure that the municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduce time frames to achieve certain benchmarks.

2.4.7 Tariff Policies

The municipality's Tariff Policy provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery.

2.4.8 Financial Modelling and Scenario Planning Policy

The Financial Modelling and Scenario Planning Policy (Financial Plan included as Annexure A to the IDP) has directly informed the compilation of the 2012/2013 MTREF with the emphasis on affordability and long-term sustainability. The policy dictates the approach to longer term financial modelling. The outcomes are then filtered into the budget process. The model and scenario planning outcomes are taken to Council every November as part of the IDP and then translate into recommendations for the budget guidelines that inform the compilation of the next MTREF. One of the salient features of the policy is the emphasis on financial sustainability. Amongst others, the following has been modelled as part of the financial modelling and scenario planning process:

- Approved 2011/2012 Adjustments Budget;
- Cash Flow Management Interventions, Initiatives and Strategies (including the cash backing of reserves);
- Economic climate and trends (i.e Inflation, household debt levels, indigent factors, growth, recessionary implications);
- Loan and investment possibilities;
- Performance trends;
- Tariff Increases;
- The ability of the community to pay for services (affordability);
- Policy priorities;
- Improved and sustainable service delivery; and
- Debtor payment levels.

All the above policies are available on the municipality's website, as well as the following budget related policies:

- Property Rates Policy;
- Funding and Reserves Policy;
- Borrowing Policy;
- Budget Policy; and
- Basic Social Services Package (Indigent Policy).

2.5 Overview of budget assumptions

2.5.1 External factors

The *Budget Review 2012* notes that the South African economy has demonstrated resilience despite unsettled international economic conditions. Global developments are likely to hold back higher growth over the short-term, resulting in gross domestic product (GDP) growth being expected to slow from 3.1% in 2011 to 2.7% in 2012. However, the domestic outlook remains positive over the medium term. As the world economy strengthens, GDP growth will accelerate to 3.6% in 2013 and 4.2% in 2014, led by robust household consumption, and stronger public- and private-sector investment.

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the municipality's finances.

2.5.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2012/2013 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and water; and
- The increase in the cost of remuneration. Employee related costs comprise 40.6% of total operating expenditure in the 2012/2012 MTREF and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget. The wage agreement for the MTREF SALGA needs to conclude with the municipal workers unions in the SALGBC are still in process but it will have an effect on our budget and must be noted.

2.5.3 Credit rating outlook

Table 34 Credit rating outlook

| Security class | Currency | Rating | Annual rating 2011/2012 | Previous Rating |
|----------------|----------|--------|-------------------------|-----------------|
| Short term | Rand | N/A | N/A | N/A |
| Long-term | Rand | N/A | N/A | N/A |
| Outlook | Rand | N/A | N/A | N/A |

The municipality has not been rated by a rating agency.

2.5.4 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The municipality engages in a number of financing arrangements to minimise its interest rate costs and risk. However, for simplicity the 2012/2013 MTREF is based on the assumption that all borrowings are undertaken using fixed interest rates for amortisation-style loans requiring both regular principal and interest payments. As part of the compilation of the 2012/2013 MTREF the potential of smoothing out the debt profile over the long term will be investigated.

2.5.5 Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long-term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (99%) of annual billings. Cash flow is assumed to be 99% of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will only be considered a source of additional cash in-flow once the performance has been carefully monitored.

2.5.6 Growth or decline in tax base of the municipality

Debtors' revenue is assumed to increase at a rate that is influenced by the consumer debtors' collection rate, tariff/rate pricing, real growth rate of the municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

2.5.7 Salary increases

The collective agreement regarding salaries / wages for the MTREF must still be finalised. Over the MTREF the municipality has provided for a cost-of-living increase of 5% (2012/2013), 5.3% (2013/2014) and 4.9% (2014/2015).

2.5.8 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to

align IDP's, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives. Unfortunately, some of these services come at a cost for the municipality since not all activities is 100% funded through funds that follow functions (unfunded mandates).

2.5.9 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 95% is achieved on operating expenditure and 95% on the capital programme for the 2012/2013 MTREF of which performance has been factored into the cash flow budget. The municipality expects to recover 99% of its budgeted revenue.

2.6 Overview of budget funding

2.6.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Table 35 Breakdown of the operating revenue over the medium-term

| Description / R thousand | 2012/13 Medium Term Revenue & Expenditure Framework | | | | | |
|--|---|---------------|------------------------|---------------|------------------------|---------------|
| | Budget Year 2012/13 | % | Budget Year +1 2013/14 | % | Budget Year +2 2014/15 | % |
| Property rates | 48,654 | 11.6% | 52,081 | 11.4% | 55,750 | 11.2% |
| Service charges | 284,996 | 67.8% | 312,707 | 68.7% | 343,211 | 69.0% |
| Interest earned - external investments | 1,512 | 0.4% | 1,588 | 0.3% | 1,667 | 0.3% |
| Transfers recognised - operational | 66,551 | 15.8% | 68,690 | 15.1% | 74,426 | 15.0% |
| Other own revenue | 18,540 | 4.4% | 20,306 | 4.5% | 22,243 | 4.5% |
| Total Operating Revenue (excluding capital transfers and contributions) | 420,253 | 100.0% | 455,372 | 100.0% | 497,298 | 100.0% |
| Total Operating Expenditure | 418,697 | | 453,667 | | 495,452 | |
| Surplus/(Deficit) | 1,556 | | 1,706 | | 1,846 | |

The following graph is a breakdown of the operational revenue per main category for the 2012/2013 financial year.

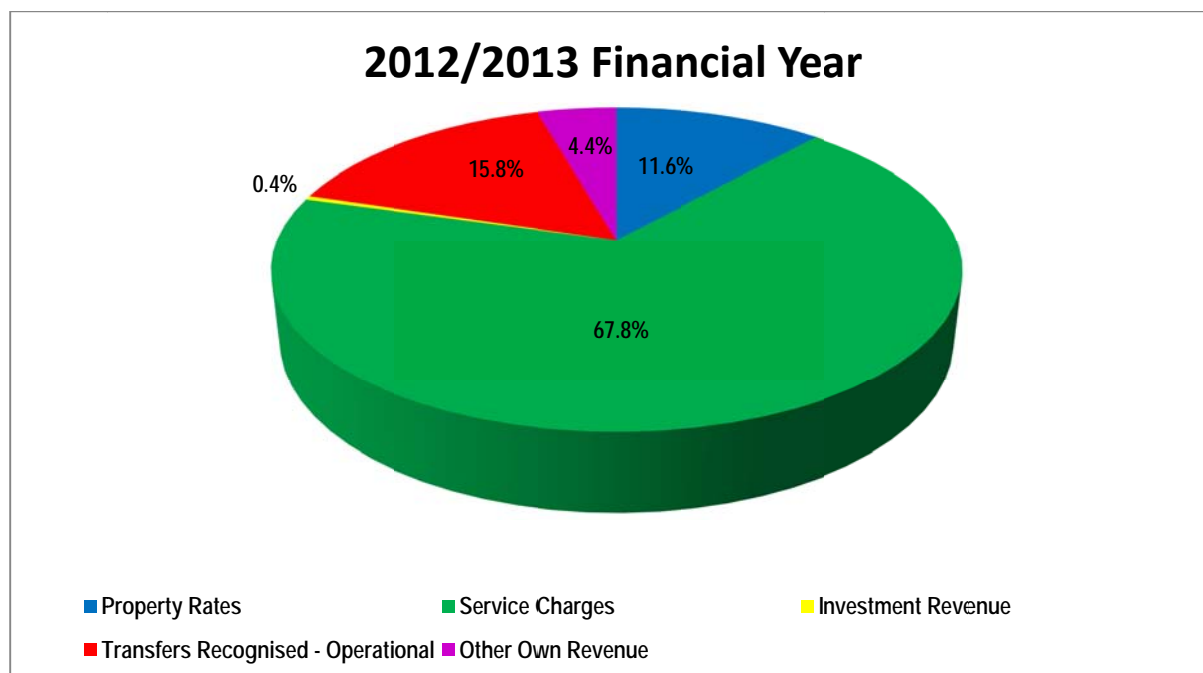


Figure 7 Breakdown of operating revenue over the 2012/2013 MTREF

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The MTREF therefore provides for a budgeted surplus of R 1.5 million, R 1.7 million and R 1.8 million in each of the financial years. This surplus is intended to partly fund capital expenditure from own sources as well as ensure adequate cash backing of reserves and funds.

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The municipality derives most of its operational revenue from the provision of goods and services such as water, electricity, sanitation and solid waste removal. Property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc) completes the revenue base.

The revenue strategy is a function of key components such as:

- Growth in the municipality and economic development;
- Revenue management and enhancement;
- Achievement of a 99% annual collection rate for consumer revenue;
- National Treasury guidelines;

- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing / calculating revenue requirements;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- And the ability to extend new services and obtain cost recovery levels.

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

The proposed tariff increases for the 2012/2013 MTREF on the different revenue categories are:

Table 36 Proposed tariff increases over the medium-term

| Revenue Category | 2012/13 Proposed Tariff Increase | 2013/14 Proposed Tariff Increase | 2014/15 Proposed Tariff Increase | 2012/13 Additional Revenue for Each 1% Tariff Increase | 2012/13 Additional Revenue Owing to % Tariff Increases | 2012/13 Total Budgeted Revenue |
|------------------|---|---|---|---|---|---|
| | % | % | % | R'000 | R'000 | R'000 |
| Property Rates | 8.00% | 7.00% | 7.00% | 451 | 3,604 | 48,654 |
| Electricity | 11.03% | 11.03% | 11.03% | 1,748 | 19,281 | 194,082 |
| Water | 7.00% | 7.00% | 7.00% | 406 | 2,840 | 43,412 |
| Sanitation | 7.00% | 7.00% | 7.00% | 232 | 1,625 | 24,842 |
| Refuse Removal | 33.00% | 7.00% | 7.00% | 170 | 5,622 | 22,659 |
| Total | | | | 3,007 | 32,972 | 333,650 |

Revenue to be generated from property rates is R 48.6 million in the 2012/2013 financial year and increases to R 55.7 million by 2014/2015 which represents 11.6% of the operating revenue base of the municipality. It remains relatively constant over the medium-term. With the implementation of the Municipal Property Rates Act the basis of rating significantly changed.

The municipality is still in a process of further data verification and validation relating to the valuation roll. In addition there are still outstanding objections, although significant progress was made in dealing with these objections in the 2010/2011 and 2011/2012 financial years. It is anticipated that the process will be concluded by the end of 2012. As the levying of property rates is considered a strategic revenue source a further supplementary valuation process will be undertaken in the 3rd quarter of each financial year. The outcome of this

initiative will be closely monitored and reported on a regular basis as part of the quarterly performance reporting.

Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the municipality totalling R 284.9 million for the 2012/2013 financial year and increasing to R 343.2 million by 2014/2015. For the 2012/2013 financial year services charges amount to 67.8% of the total revenue base and grows by a projected 0.6% per annum over the medium-term. This growth can mainly be attributed to the increase in the bulk prices of electricity and water.

Operational grants and subsidies amount to R 66.5 million, R 68.6 million and R 74.4 million for each of the respective financial years of the MTREF; or, 15.8%, 15.1% and 15.0% of operating revenue. It needs to be noted that in real terms the grants receipts from national government are growing over the MTREF by 3.2% and 8.3% for the two outer years.

Investment revenue contributes marginally to the revenue base of the municipality with a budget allocation of R 1.5 million, R 1.5 million and R 1.6 million for the respective three financial years of the 2012/2013 MTREF. It needs to be noted that these allocations have been conservatively estimated and as part of the cash backing of reserves and provisions. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

The tables below provide detail investment information and investment particulars by maturity.

Table 37 MBRR SA15 – Detail Investment Information

| Investment type / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Parent municipality | | | | | | | | | |
| Securities - National Government | - | - | - | - | - | - | - | - | - |
| Listed Corporate Bonds | - | - | - | - | - | - | - | - | - |
| Deposits - Bank | 26,164 | 26,241 | 12,057 | 16,242 | 16,360 | 16,360 | 15,000 | 17,375 | 20,825 |
| Deposits - Public Investment Commissioners | - | - | - | - | - | - | - | - | - |
| Deposits - Corporation for Public Deposits | - | - | - | - | - | - | - | - | - |
| Bankers Acceptance Certificates | - | - | - | - | - | - | - | - | - |
| Negotiable Certificates of Deposit - Banks | - | - | - | - | - | - | - | - | - |
| Guaranteed Endowment Policies (sinking) | - | - | - | - | - | - | - | - | - |
| Repurchase Agreements - Banks | - | - | - | - | - | - | - | - | - |
| Municipal Bonds | - | - | - | - | - | - | - | - | - |
| Municipality sub-total | 26,164 | 26,241 | 12,057 | 16,242 | 16,360 | 16,360 | 15,000 | 17,375 | 20,825 |
| Entities | | | | | | | | | |
| Entities sub-total | - | - | - | - | - | - | - | - | - |
| Consolidated total: | 26,164 | 26,241 | 12,057 | 16,242 | 16,360 | 16,360 | 15,000 | 17,375 | 20,825 |

Table 38 MBRR SA16 – Investment particulars by maturity

| Investments by Maturity Name of institution & investment ID | Period of Investment Yrs/Months | Type of Investment | Expiry date of investment | Monetary value | Interest to be realised |
|--|------------------------------------|--------------------|---------------------------|----------------|-------------------------|
| | Rand thousand | | | | |
| Standard Bank | 5 | Zero Coupon | 17.10.2011 | 145,408 | 15,995 |
| Sanlam | 6 | Insurance Policy | 01.07.2012 | 45,311 | 2,719 |
| Nedbank | 10 | Zero Coupon | 30.04.2013 | 231,515 | 25,584 |
| Standard Bank | 10 | Zero Coupon | 30.04.2013 | 19,869 | 2,384 |
| Stanlib/Standard Bank | 10 | Zero Coupon | 30.04.2013 | 19,822 | 2,341 |
| Municipality ABC | 8 | Municipal Stock | 31.12.2013 | 3,033 | 380 |
| First National Bank | 8 | Zero Coupon | 30.06.2014 | 135,470 | 17,244 |
| Sanlam | 10 | Insurance Policy | 07.12.2015 | 217 | 21 |
| Sanlam | 10 | Insurance Policy | 01.01.2016 | 3,183 | 207 |
| Sanlam | 12 | Insurance Policy | 31.12.2018 | 711 | 117 |
| ABSA Bank | 0 | ABSA Money | On Call | 36,998 | 4,224 |
| ABSA Bank | 0 | ABSA Money | On Call | 8,098 | 643 |
| ABSA Bank | 0 | ABSA Money | On Call | 6,065 | 481 |
| ABSA Bank | 0 | ABSA Money | On Call | 133 | 10 |
| Investec Bank | 0 | Money Market | On Call | 205,061 | 28,825 |
| Investec Bank | 0 | Money Market | On Call | 6,482 | 534 |
| Investec Bank | 0 | Money Market | On Call | 868 | 71 |
| Investec Bank | 0 | Money Market | On Call | 23,360 | 1,710 |
| Standard Bank | 0 | Money Market | On Call | 100,000 | 16,401 |
| Stanlib/Standard Bank | 0 | Money Market | On Call | 2,255 | 189 |
| TOTAL INVESTMENTS AND INTEREST | | | | 993,859 | 120,080 |

2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2011/12 medium-term capital programme:

Table 39 Sources of capital revenue over the MTREF

| Vote Description / R thousand | Current Year 2011/12 | | 2012/13 Medium Term Revenue & Expenditure Framework | | | | | |
|----------------------------------|----------------------|---------------|---|---------------|------------------------|---------------|------------------------|---------------|
| | Adjusted Budget | % | Budget Year 2012/13 | % | Budget Year +1 2013/14 | % | Budget Year +2 2014/15 | % |
| Funded by: | | | | | | | | |
| National Government | 29,909 | 28.1% | 31,615 | 40.7% | 24,421 | 46.7% | 27,385 | 47.0% |
| Provincial Government | 2,782 | 2.6% | 510 | 0.7% | – | 0.0% | – | 0.0% |
| District Municipality | – | 0.0% | – | 0.0% | – | 0.0% | – | 0.0% |
| Other transfers and grants | 4,104 | 3.9% | – | 0.0% | – | 0.0% | – | 0.0% |
| Transfers recognised - capital | 36,794 | 34.6% | 32,125 | 41.3% | 24,421 | 46.7% | 27,385 | 47.0% |
| Public contributions & donations | – | 0.0% | – | 0.0% | – | 0.0% | – | 0.0% |
| Borrowing | 64,249 | 60.4% | 41,593 | 53.5% | 23,473 | 44.9% | 26,069 | 44.8% |
| Internally generated funds | 5,293 | 5.0% | 4,000 | 5.1% | 4,400 | 8.4% | 4,800 | 8.2% |
| Total Capital Funding | 106,336 | 100.0% | 77,718 | 100.0% | 52,295 | 100.0% | 58,254 | 100.0% |

Capital grants and receipts equates to 41.4% of the total funding source which represents R 32.1 million for the 2012/2013 financial year and steadily decrease to R 27.3 million or 47.0% by 2014/2015. Growth relating to grant receipts is -12.6%, -23.9% and 12.1% over the medium-term.

Borrowing still remains a significant funding source for the capital programme over the medium-term with an estimated R 41.5 million, R 23.4 million and R 26.0 million to be raised for each of the respective financial years totalling 53.5%, 44.9% and 44.8% of the total funding of the capital budget for each of the respective financial years of the MTREF. As explained earlier, the borrowing capacity of the municipality has essentially reached its limits and going forward borrowing limits will remain constant.

Table 40 is graphically represented as follows for the 2012/2013 financial year.

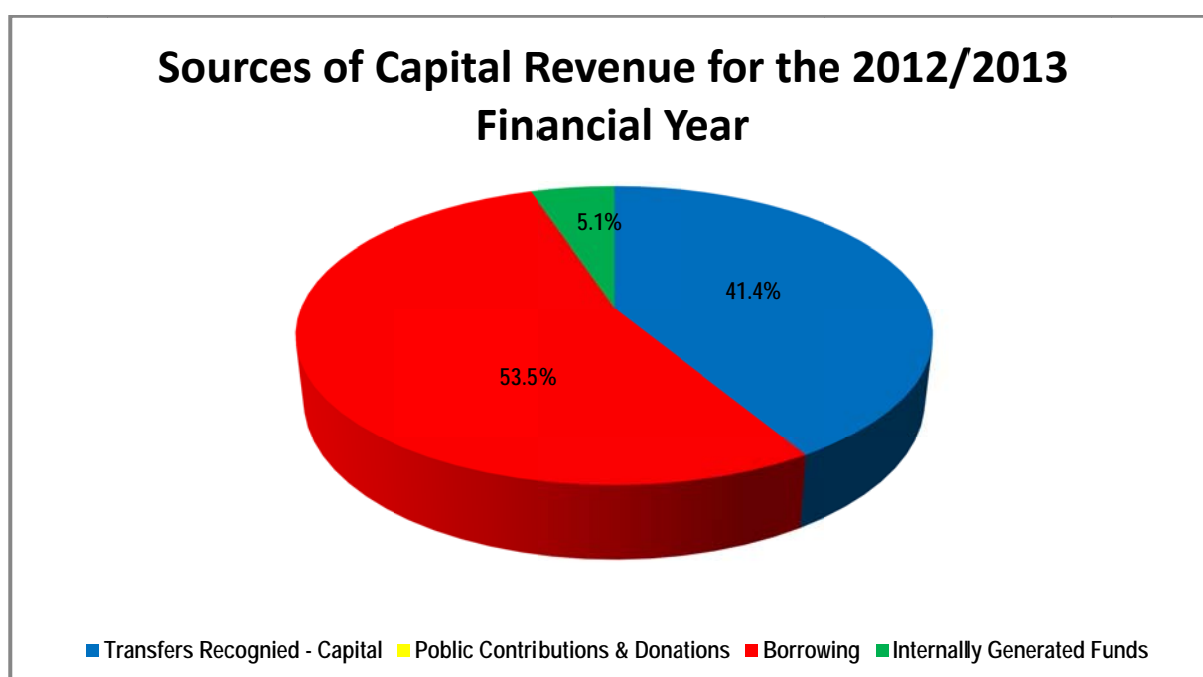


Figure 8 Sources of capital revenue for the 2011/12 financial year

The following table is a detailed analysis of the municipality's borrowing liability.

Table 40 MBRR Table SA 17 - Detail of borrowings

| | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Borrowing - Categorised by type / R thousand | | | | | | | | | |
| <u>Parent municipality</u> | | | | | | | | | |
| Long-Term Loans (annuity/reducing balance) | 57,826 | 58,730 | 70,207 | 144,624 | 120,175 | 120,175 | 152,768 | 164,742 | 177,311 |
| Long-Term Loans (non-annuity) | | | | | | | | | |
| Local registered stock | | | | | | | | | |
| Financial Leases | | | | | | | | | |
| Municipality sub-total | 57,826 | 58,730 | 70,207 | 144,624 | 120,175 | 120,175 | 152,768 | 164,742 | 177,311 |
| <u>Entities</u> | | | | | | | | | |
| Entities sub-total | - | - | - | - | - | - | - | - | - |
| Total Borrowing | 57,826 | 58,730 | 70,207 | 144,624 | 120,175 | 120,175 | 152,768 | 164,742 | 177,311 |

The following graph illustrates the growth in borrowing for the 2008/209 to 2014/2015 period.

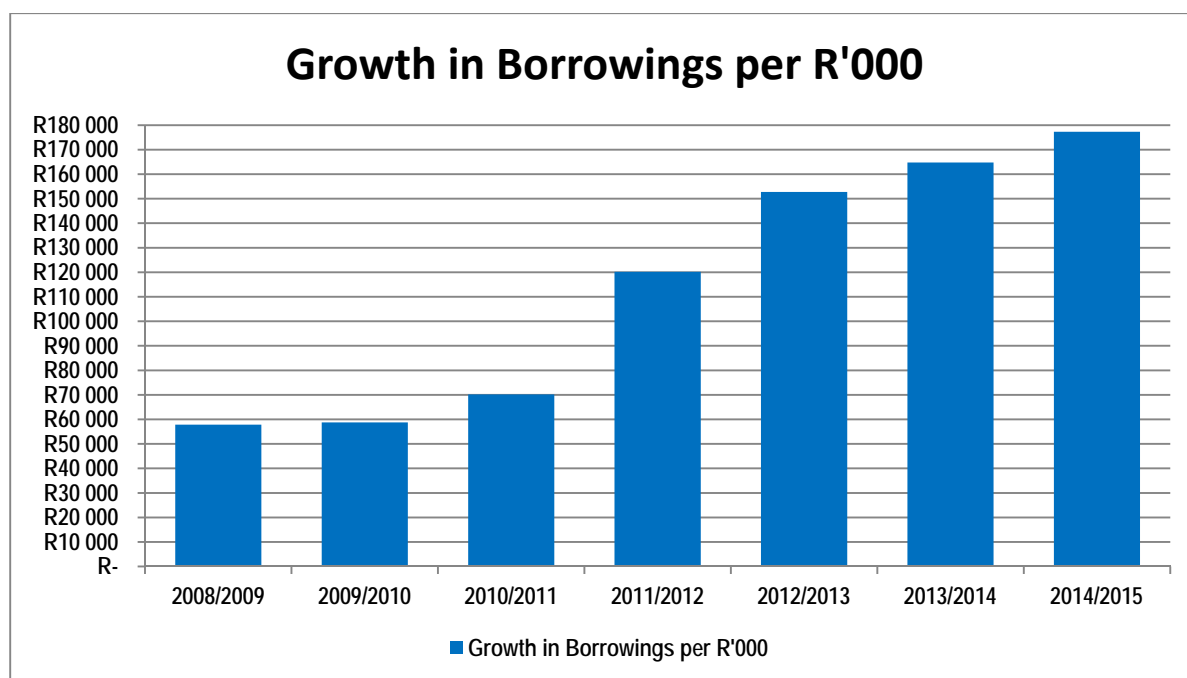


Figure 9 Growth in outstanding borrowing (long-term liabilities)

Internally generated funds consist of a mixture between surpluses generated on the operating statement of financial performance and cash backed reserves. In determining the credibility of this funding source it becomes necessary to review the cash flow budget as well as the cash backed reserves and accumulated funds reconciliation, as discussed below.

Internally generated funds consist of R 4 million in 2012/2013, R 4.4 million in 2013/2014 and R 4.8 million in 2014/2015. The percentage funding peaks in 2013/2014 at 8.4%. In 2014/2015 this funding source reduces back to levels of 8.2%.

Table 41 below provides more detail of the capital transfers and grant receipts.

Table 41 MBRR Table SA 18 - Capital transfers and grants receipts

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-----------------------------|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Capital Transfers and Grants | | | | | | | | | |
| National Government: | 10,575 | 16,624 | 13,927 | 50,730 | 45,592 | 45,592 | 27,127 | 24,421 | 27,385 |
| Municipal Infrastructure Grant (MIG) | 9,326 | 15,916 | 11,923 | 43,401 | 38,263 | 38,263 | 19,232 | 20,913 | 22,122 |
| Integrated National Electrification Programme Grant | 1,249 | 708 | 310 | 1,829 | 1,829 | 1,829 | 7,018 | 3,509 | 5,263 |
| Extended Public Works Programme | - | - | 1,694 | 5,500 | 5,500 | 5,500 | 877 | - | - |
| Provincial Government: | 2,489 | 3,019 | 324 | - | 367 | 367 | - | - | - |
| Housing | 2,489 | 3,019 | - | - | - | - | - | - | - |
| Infrastructure Development | - | - | - | - | 50 | 50 | - | - | - |
| Library Services | - | - | 324 | - | 217 | 217 | - | - | - |
| Department of Water Affairs | - | - | - | - | 100 | 100 | - | - | - |
| District Municipality: | - | - | - | - | - | - | - | - | - |
| Other grant providers: | - | - | 818 | - | 4,104 | 4,104 | - | - | - |
| Lotto | - | - | - | - | 4,104 | 4,104 | - | - | - |
| Other | - | - | 818 | - | - | - | - | - | - |
| Total Capital Transfers and Grants | 13,064 | 19,643 | 15,069 | 50,730 | 50,063 | 50,063 | 27,127 | 24,421 | 27,385 |

2.6.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understanding ability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'ratepayers and other' to be provided for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue; and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

Table 42 MBRR Table A7 - Budget cash flow statement

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | |
| Receipts | | | | | | | | | |
| Ratepayers and other | 184,274 | 212,905 | 255,714 | 314,933 | 322,632 | 322,632 | 345,187 | 378,889 | 415,582 |
| Government - operating | 36,557 | 70,322 | 81,733 | 58,796 | 61,716 | 61,716 | 66,551 | 68,690 | 74,426 |
| Government - capital | 14,460 | 9,179 | 8,719 | 69,579 | 36,794 | 36,794 | 32,125 | 24,421 | 27,385 |
| Interest | 3,829 | 4,240 | 2,979 | 3,700 | 3,151 | 3,151 | 4,415 | 4,693 | 4,990 |
| Dividends | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | |
| Suppliers and employees | (208,219) | (264,468) | (335,484) | (362,124) | (368,379) | (368,379) | (392,890) | (420,287) | (458,930) |
| Finance charges | (6,070) | (6,598) | (7,594) | (7,836) | (7,926) | (7,926) | (12,740) | (14,269) | (15,313) |
| Transfers and Grants | (529) | (798) | (855) | (575) | (621) | (621) | (583) | (641) | (705) |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | 24,301 | 24,782 | 5,212 | 76,473 | 47,367 | 47,367 | 42,065 | 41,496 | 47,435 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | |
| Receipts | | | | | | | | | |
| Proceeds on disposal of PPE | 757 | 71 | 48 | 50 | 0 | 0 | - | - | - |
| Decrease (Increase) in non-current debtors | - | - | - | - | - | - | - | - | - |
| Decrease (increase) other non-current receivables | 2 | 41 | (8) | - | 26 | 26 | - | - | - |
| Decrease (increase) in non-current investments | - | (5,705) | (58) | 1,763 | 1,763 | 1,763 | (1,000) | (1,000) | - |
| Payments | | | | | | | | | |
| Capital assets | (25,544) | (28,179) | (33,313) | (154,277) | (106,336) | (106,336) | (77,718) | (52,295) | (58,254) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | (24,785) | (33,773) | (33,331) | (152,464) | (104,547) | (104,547) | (78,718) | (53,295) | (58,254) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | |
| Receipts | | | | | | | | | |
| Short term loans | - | - | - | - | - | - | - | - | - |
| Increase in Trust Funds | 702 | - | 528 | - | 1,988 | 1,988 | (300) | 200 | 200 |
| Borrowing long term/refinancing | 38,471 | 4,704 | 19,519 | 77,698 | 64,249 | 64,249 | 41,593 | 23,473 | 26,069 |
| Increase (decrease) in consumer deposits | 262 | 722 | 1,168 | 2,960 | 2,213 | 2,213 | 1,000 | - | 500 |
| Payments | | | | | | | | | |
| Repayment of trust funds | - | (90) | - | 1,988 | - | - | - | - | - |
| Repayment of borrowing | (1,699) | (2,713) | (5,140) | (8,133) | (3,836) | (3,836) | (8,000) | (10,500) | (12,500) |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | 37,736 | 2,623 | 16,075 | 74,513 | 64,613 | 64,613 | 34,293 | 13,173 | 14,269 |
| NET INCREASE/ (DECREASE) IN CASH HELD | 37,252 | (6,368) | (12,045) | (1,478) | 7,434 | 7,434 | (2,360) | 1,375 | 3,450 |
| Cash/cash equivalents at the year begin: | (13,908) | 23,344 | 16,977 | 13,726 | 4,932 | 4,932 | 12,366 | 10,006 | 11,381 |
| Cash/cash equivalents at the year end: | 23,344 | 16,977 | 4,932 | 12,248 | 12,366 | 12,366 | 10,006 | 11,381 | 14,831 |

The above table shows that cash and cash equivalents of the municipality were largely depleted between the 2008/2009 and 2010/2011 financial year moving from a positive cash balance of R 23.3 million to a positive cash balance of R 4.9 million. With the 2011/2012

adjustments budget various cost efficiencies and savings had to be realised to ensure the municipality could meet its operational expenditure commitments. In addition the municipality undertook an extensive debt collection process over the last five years to boost cash levels. These initiatives and interventions have translated into a positive cash position for the municipality and it is projected that cash and cash equivalents on hand will increase to R 12.3 million by the financial year end. For the 2012/2013 MTREF the budget has been prepared to ensure sufficient levels of cash and cash equivalents over the medium-term with cash levels anticipated to exceed R 10.0 million by 2012/2013 and steadily increasing to R 14.8 million by 2014/2015.

2.6.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular No 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was / is available. A shortfall (cash-backed commitments > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

From Table 43 below it can be seen that the cash and investments available total R 15.0 million in the 2012/2013 financial year and progressively increase to R 20.8 million by 2014/2015, including the projected cash and cash equivalents as determined in the cash flow forecast.

Table 43 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Cash and investments available | | | | | | | | | |
| Cash/cash equivalents at the year end | 23,344 | 16,977 | 4,932 | 12,248 | 12,366 | 12,366 | 10,006 | 11,381 | 14,831 |
| Other current investments > 90 days | - | 5,705 | 5,763 | 4,000 | 4,000 | 4,000 | 5,000 | 6,000 | 6,000 |
| Non current assets - Investments | - | - | - | - | - | - | - | - | - |
| Cash and investments available: | 23,344 | 22,682 | 10,695 | 16,248 | 16,366 | 16,366 | 15,006 | 17,381 | 20,831 |
| Application of cash and investments | | | | | | | | | |
| Unspent conditional transfers | 8,538 | 11,064 | 18,887 | 0 | 30,840 | 30,840 | 25,842 | 26,352 | 26,352 |
| Unspent borrowing | - | - | - | - | - | - | - | - | - |
| Statutory requirements | - | - | - | - | - | - | - | - | - |
| Other working capital requirements | (6,426) | (2,640) | (9,532) | 1,119 | (6,896) | (6,896) | (8,778) | (12,230) | (13,839) |
| Other provisions | - | - | - | - | - | - | - | - | - |
| Long term investments committed | - | - | - | - | - | - | - | - | - |
| Reserves to be backed by cash/investments | 2,574 | 2,484 | 3,012 | 5,000 | 5,000 | 5,000 | 4,700 | 4,900 | 5,100 |
| Total Application of cash and investments: | 4,686 | 10,909 | 12,367 | 6,119 | 28,944 | 28,944 | 21,764 | 19,022 | 17,613 |
| Surplus(shortfall) | 18,659 | 11,773 | (1,671) | 10,129 | (12,578) | (12,578) | (6,758) | (1,642) | 3,217 |

The following is a breakdown of the application of this funding:

- Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year. In the past these have been allowed to 'roll-over' and be spent in the ordinary course of business, but this practice has been discontinued. During the 2011/2012 financial year the municipality was required to supply National Treasury with a detailed analysis of the unspent grants as well as an action plan of spending the grants. For the 2012/2013 financial year no provision has been made for this liability as the total unspent conditional grant liability of R 25.8 million has been factored into the 2012/2013 capital programme of the municipality. The municipality has received the necessary roll-over approval from the National Treasury as the funding appropriation relating to the unspent conditional grants could be motivated as part of existing projects.
- There is no unspent borrowing from the previous financial years. In terms of the municipality's Borrowing and Investments Policy, borrowings are only drawn down once the expenditure has been incurred against the particular project. Unspent borrowing is ring-fenced and reconciled on a monthly basis to ensure no unnecessary liabilities are incurred.
- The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. A key challenge is often the mismatch

between the timing of receipts of funds from debtors and payments due to employees and creditors. High levels of debtor non-payment and receipt delays will have a greater requirement for working capital, as was experienced by the municipality in the past resulting in cash flow challenges. For the purpose of the cash backed reserves and accumulated surplus reconciliation a provision equivalent to one month's operational expenditure has been provided for. It needs to be noted that although this can be considered prudent, the desired cash levels should be 60 days to ensure continued liquidity of the municipality. Any underperformance in relation to collections could place upward pressure on the ability of the City to meet its creditor obligations.

- Other provisions (i.e. employee benefits) have been provided for in the operating budget but have not been provided for in Table 43.
- The municipality has no long term investments that consist primarily of the sinking funds for the repayment of future borrowings.
- Most reserve fund cash-backing is discretionary in nature, but the reserve funds are not available to support a budget unless they are cash-backed. The reserve funds as well as unspent conditional grants are not fully cash-backed. Government property rates and services charges outstanding debt of over R 10 million and for unfunded housing projects of over R 3 million must therefore be collected. The level of cash-backing is directly informed by the municipality's cash backing policy.

It can be concluded that the municipality has a deficit against the cash backed and accumulated surpluses reconciliation. The level of non-cash backing progressively deteriorated over the period 2008/2009 to 2011/2012 escalating from a positive R 18.6 million to a negative R 12.5 million in 2011/201. This was mainly due to an operating deficit of over R 13 million in 2010/2011. The municipality has essentially depleted all cash reserves which is a serious concern and should be considered a strategic risk to the financial stability of the municipality. As part of the planning strategy, this deficit needs to be aggressively managed downwards and as part of the medium term planning objectives. It is aimed that by 2014/2015 this deficit would have been significantly reduced translating into a surplus of R 3.2 million. It needs to be noted that for all practical purposes the 2011/2012 MTREF was unfunded when considering the funding requirements of section 18 and 19 of the MFMA. The 2012/2013 MTREF has been informed by ensuring the financial plan meets the minimum requirements of the MFMA. However, from a practical perspective it would not be possible to eradicate this deficit in one financial year hence the phased approach over the

MTREF. Nevertheless from a pure cash flow perspective (cash out flow versus cash inflow) the budget is funded and is therefore credible. The challenge for the municipality will be to ensure that the underlying planning and cash flow assumptions are meticulously managed, especially the performance against the collection rate.

The following graph supplies an analysis of the trends relating cash and cash equivalents and the cash backed reserves/accumulated funds reconciliation over a seven year perspective.

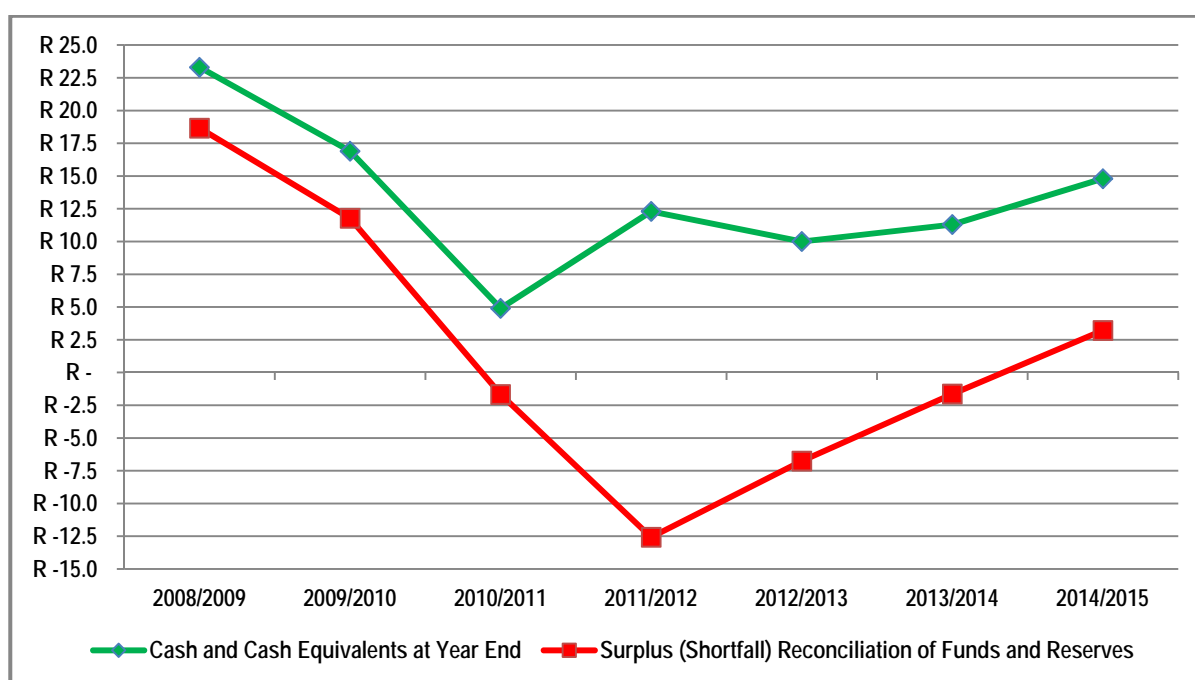


Figure 10 Cash and cash equivalents / Cash backed reserves and accumulated funds

2.6.5 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

Table 44 MBRR SA10 – Funding compliance measurement

| Description | MFMA section | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|--------------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| | | | | | | | | | | |
| Funding measures | | | | | | | | | | |
| Cash/cash equivalents at the year end - R'000 | 18(1)b | 23,344 | 16,977 | 4,932 | 12,248 | 12,366 | 12,366 | 10,006 | 11,381 | 14,831 |
| Cash + investments at the yr end less applications - R'000 | 18(1)b | 18,659 | 11,773 | (1,671) | 10,129 | (12,578) | (12,578) | (6,758) | (1,642) | 3,217 |
| Cash year end/monthly employee/supplier payments | 18(1)b | 1.5 | 0.9 | 0.2 | 0.5 | 0.5 | 0.5 | 0.3 | 0.4 | 0.4 |
| Surplus/(Deficit) excluding depreciation offsets: R'000 | 18(1) | 10,899 | (89,943) | (158,151) | 65,018 | 26,451 | 26,451 | 33,681 | 26,127 | 29,231 |
| Service charge rev % change - macro CPI-X target exclusive | 18(1)a,(2) | N.A. | 13.3% | 14.0% | 10.6% | 12.7% | 12.7% | 6.1% | 3.3% | 3.4% |
| Cash receipts % of Ratepayer & Other revenue | 18(1)a,(2) | 97.2% | 94.8% | 96.0% | 101.8% | 102.5% | 102.5% | 98.0% | 98.4% | 98.7% |
| Debt impairment expense as a % of total billable revenue | 18(1)a,(2) | 0.1% | 1.4% | 0.3% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% |
| Capital payments % of capital expenditure | 18(1)c;19 | 96.5% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Borrowing receipts % of capital expenditure (excl. transfers) | 18(1)c | 320.1% | 24.8% | 79.4% | 91.7% | 92.4% | 92.4% | 91.2% | 84.2% | 84.5% |
| Grants % of Govt. legislated/gazetted allocations | 18(1)a | | | | | | | 106.3% | 100.9% | 100.9% |
| Current consumer debtors % change - incr(decr) | 18(1)a | N.A. | 14.0% | 31.9% | (48.2%) | 34.7% | 0.0% | 15.9% | 9.7% | 5.8% |
| Long term receivables % change - incr(decr) | 18(1)a | N.A. | (89.1%) | (40.8%) | (100.0%) | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| R&M % of Property Plant & Equipment | 20(1)(vi) | 5.0% | 0.4% | 0.5% | 0.5% | 0.5% | 0.5% | 0.5% | 0.6% | 0.6% |
| Asset renewal % of capital budget | 20(1)(vi) | 0.0% | 0.0% | 0.0% | 6.0% | 11.7% | 11.7% | 2.9% | 14.5% | 0.5% |

2.6.5.1 Cash/cash equivalent position

The municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year. The forecasted cash and cash equivalents for the 2012/2013 MTREF shows R 10.0 million, R 11.3 million and R 14.8 million for each respective financial year.

2.6.5.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves / surpluses are contained in Table 25, on [page 25](#). The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

2.6.5.3 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts. Notably, the ratio has been falling significantly for the period 2008/2009 to 2010/2011, moving from 1.5 to 0.2 with the adopted 2011/2012 MTREF. As part of the 2012/13 MTREF the municipalities improving cash position causes the ratio to move upwards to 0.5 and then reduces slightly to 0.4 for the outer years. As indicated above the municipality aims to achieve at least one month's cash coverage in the medium term, and then gradually move towards two months coverage. This measure will have to be carefully monitored going forward.

2.6.5.4 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus / deficit are achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. For the 2012/2013 MTREF the indicative outcome is a surplus of R 33.6 million, R 26.1 million and R 29.2 million.

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

2.6.5.5 Property Rates/service charge revenue as a percentage increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etcetera.

The factor is calculated by deducting the maximum macro-economic inflation target increase (which is currently 4.9% to 5.9%). The result is intended to be an approximation of the real increase in revenue. From the table above it can be seen that the percentage growth totals 6.1%, 3.3% and 3.4% for the respective financial year of the 2012/2013 MTREF. Considering the lowest percentage tariff increase in relation to revenue generated from rates and services charges is 7% to 8% (with the exception of refuse removal tariff increase of 33%), with the increase in electricity at 11.03% on average it is to be expected that the increase in revenue will exceed the inflation target figures. However, the outcome is lower than it might be due to the slowdown in the economy and a reduction in consumption patterns. This trend will have to be carefully monitored and managed with the implementation of the budget.

2.6.5.6 Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. It can be seen that the outcome is at 98.0%, 98.4% and 98.7% for each of the respective financial years. Given that the assumed collection rate was based on a 98% performance target, the cash flow statement has been conservatively determined. In addition the risks associated with objections to the valuation roll need to be clarified and hence the conservative approach, also taking into consideration the cash flow challenges experienced in the current financial year. This measure and performance objective will have to be meticulously managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will have to be amended accordingly.

2.6.5.7 Debt impairment expense as a percentage of billable revenue

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues. The provision has been appropriated at 0.2% over the MTREF. Considering the debt incentive scheme and the municipality's revenue management strategy's objective to collect outstanding debtors of 90 days, the provision is well within the accepted leading practice.

2.6.5.8 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. It can be seen that a 0% timing discount has been factored into the cash position forecasted over the entire financial year. The municipality aims to keep this as low as possible through strict compliance with the legislative requirement that debtors be paid within 30 days and have not defaulted over the last five years.

2.6.5.9 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded. It can be seen that borrowing equates to 91.2%, 84.2% and 84.5% of own funded capital. Further details relating to the borrowing strategy of the City can be found on [page 66](#).

2.6.5.10 Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100% could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The municipality has budgeted for all transfers.

2.6.5.11 Consumer debtors change (Current and Non-current)

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are two measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position. Both measures show a relatively stable trend in line with the municipality's policy of settling debtor's accounts within 45 days.

2.6.5.12 Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and / or sustainable in the medium to long term because the revenue budget is not being protected. Details of the municipality's strategy pertaining to asset management and repairs and maintenance are contained in Table 60 MBRR SA34C on [page 90](#).

2.6.5.13 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal / rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 59 MBRR SA34b on [page 89](#).

2.7 Expenditure on grants and reconciliations of unspent funds

Table 15 MBRR SA19 - Expenditure on transfers and grant programmes

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| EXPENDITURE: | | | | | | | | | |
| <u>Operating expenditure of Transfers and Grants</u> | | | | | | | | | |
| National Government: | 30,187 | 34,526 | 42,011 | 50,046 | 49,449 | 49,449 | 56,141 | 60,528 | 65,659 |
| Local Government Equitable Share | 26,552 | 31,859 | 40,532 | 46,121 | 46,121 | 46,121 | 52,652 | 56,623 | 61,632 |
| Finance Management | 1,065 | 770 | 860 | 1,795 | 2,135 | 2,135 | 1,500 | 1,750 | 1,750 |
| Municipal Systems Improvement | 1,509 | 795 | 512 | 955 | 1,193 | 1,193 | 800 | 900 | 950 |
| Health Subsidy | 1,061 | 1,102 | 108 | 1,175 | - | - | - | - | - |
| Municipal Infrastructure Grant (MIG) | - | - | - | - | - | - | 1,189 | 1,255 | 1,327 |
| Provincial Government: | 6,028 | 34,551 | 39,403 | 8,750 | 6,133 | 6,133 | 5,123 | 3,881 | 4,019 |
| Housing | 2,495 | 31,206 | 37,017 | 6,884 | 3,893 | 3,893 | 1,600 | 1,600 | 1,600 |
| Health subsidy | 3,150 | 2,014 | 1,104 | 1,311 | 1,180 | 1,180 | 1,209 | 1,275 | 1,332 |
| Libraries | 321 | 1,163 | 431 | 312 | 95 | 95 | 929 | 1,006 | 1,087 |
| Capacity Building | - | - | - | - | 773 | 773 | 1,385 | - | - |
| Infrastructure Development | - | - | - | 50 | - | - | - | - | - |
| Promotion and Outreach Programme | - | - | - | 50 | 50 | 50 | - | - | - |
| Library Current Awareness Services | - | - | - | 50 | 50 | 50 | - | - | - |
| Capacity Building | - | - | - | 93 | 93 | 93 | - | - | - |
| COGHSTA Subsidy | - | - | 800 | - | - | - | - | - | - |
| Community Development Worker Operational | 62 | 168 | 51 | - | - | - | - | - | - |
| District Municipality: | - | - | - | - | - | - | - | - | - |
| Other grant providers: | 813 | 1,245 | 320 | - | 6,134 | 6,134 | 5,286 | 4,281 | 4,748 |
| SETA Training Subsidy | 318 | 384 | 320 | - | 767 | 767 | 813 | 862 | 914 |
| Vat Circular 48 | - | - | - | - | 5,138 | 5,138 | 4,473 | 3,419 | 3,834 |
| Other | 494 | 861 | - | - | 228 | 228 | - | - | - |
| Total operating expenditure of Transfers and Grants: | 37,027 | 70,322 | 81,733 | 58,796 | 61,716 | 61,716 | 66,551 | 68,690 | 74,426 |
| <u>Capital expenditure of Transfers and Grants</u> | | | | | | | | | |
| National Government: | 11,971 | 6,161 | 7,820 | 69,579 | 32,323 | 32,323 | 31,615 | 24,421 | 27,385 |
| Municipal Infrastructure Grant (MIG) | 10,227 | 5,783 | 5,782 | 62,250 | 28,080 | 28,080 | 22,667 | 20,913 | 22,122 |
| Integrated National Electrification Programme Grant | 1,579 | 378 | 310 | 1,829 | 1,829 | 1,829 | 7,018 | 3,509 | 5,263 |
| Extended Public Works Programme | 165 | - | 1,728 | 5,500 | 2,414 | 2,414 | 1,930 | - | - |
| Provincial Government: | 2,489 | 3,019 | 364 | - | 367 | 367 | 510 | - | - |
| Housing | 2,489 | 3,019 | 40 | - | - | - | - | - | - |
| Department of Water Affairs | - | - | - | - | 100 | 100 | - | - | - |
| Transport Grant | - | - | - | - | - | - | 510 | - | - |
| Infrastructure Development | - | - | - | - | 50 | 50 | - | - | - |
| Library Services | - | - | 324 | - | 217 | 217 | - | - | - |
| District Municipality: | - | - | - | - | - | - | - | - | - |
| Other grant providers: | - | - | 535 | - | 4,104 | 4,104 | - | - | - |
| Lotto Grant | - | - | - | - | 4,104 | 4,104 | - | - | - |
| Other | - | - | 535 | - | - | - | - | - | - |
| Total capital expenditure of Transfers and Grants | 14,460 | 9,179 | 8,719 | 69,579 | 36,794 | 36,794 | 32,125 | 24,421 | 27,385 |
| TOTAL EXPENDITURE OF TRANSFERS AND GRANTS | 51,487 | 79,501 | 90,452 | 128,375 | 98,510 | 98,510 | 98,676 | 93,111 | 101,811 |

Table 16 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Operating transfers and grants: | | | | | | | | | |
| National Government: | | | | | | | | | |
| Balance unspent at beginning of the year | 1,658 | 319 | 510 | 1,684 | 2,084 | 2,084 | 996 | 996 | 996 |
| Current year receipts | 28,848 | 34,716 | 43,586 | 48,361 | 48,361 | 48,361 | 56,141 | 60,528 | 65,659 |
| Conditions met - transferred to revenue | 30,187 | 34,526 | 42,011 | 50,046 | 49,449 | 49,449 | 56,141 | 60,528 | 65,659 |
| Conditions still to be met - transferred to liabilities | 319 | 510 | 2,084 | (0) | 996 | 996 | 996 | 996 | 996 |
| Provincial Government: | | | | | | | | | |
| Balance unspent at beginning of the year | 5,174 | 4,457 | (3,010) | 0 | (2,849) | (2,849) | (2,849) | (2,849) | (2,849) |
| Current year receipts | 5,311 | 27,084 | 39,564 | 8,750 | 6,133 | 6,133 | 5,123 | 3,881 | 4,019 |
| Conditions met - transferred to revenue | 6,028 | 34,551 | 39,403 | 8,750 | 6,133 | 6,133 | 5,123 | 3,881 | 4,019 |
| Conditions still to be met - transferred to liabilities | 4,457 | (3,010) | (2,849) | 0 | (2,849) | (2,849) | (2,849) | (2,849) | (2,849) |
| District Municipality: | | | | | | | | | |
| Balance unspent at beginning of the year | - | - | - | - | - | - | - | - | - |
| Current year receipts | - | - | - | - | - | - | - | - | - |
| Conditions met - transferred to revenue | - | - | - | - | - | - | - | - | - |
| Conditions still to be met - transferred to liabilities | - | - | - | - | - | - | - | - | - |
| Other grant providers: | | | | | | | | | |
| Balance unspent at beginning of the year | 1,398 | 1,296 | 636 | 0 | 656 | 656 | 428 | 428 | 428 |
| Current year receipts | 711 | 585 | 340 | - | 5,906 | 5,906 | 5,286 | 4,281 | 4,748 |
| Conditions met - transferred to revenue | 813 | 1,245 | 320 | - | 6,134 | 6,134 | 5,286 | 4,281 | 4,748 |
| Conditions still to be met - transferred to liabilities | 1,296 | 636 | 656 | 0 | 428 | 428 | 428 | 428 | 428 |
| Total operating transfers and grants revenue | 37,027 | 70,322 | 81,733 | 58,796 | 61,716 | 61,716 | 66,551 | 68,690 | 74,426 |
| Total operating transfers and grants - CTBM | 6,072 | (1,865) | (109) | (0) | (1,425) | (1,425) | (1,425) | (1,425) | (1,425) |
| Capital transfers and grants: | | | | | | | | | |
| National Government: | | | | | | | | | |
| Balance unspent at beginning of the year | 2,140 | 744 | 11,207 | 18,849 | 17,313 | 17,313 | 30,582 | 26,094 | 26,094 |
| Current year receipts | 10,575 | 16,624 | 13,927 | 50,730 | 45,592 | 45,592 | 27,127 | 24,421 | 27,385 |
| Conditions met - transferred to revenue | 11,971 | 6,161 | 7,820 | 69,579 | 32,323 | 32,323 | 31,615 | 24,421 | 27,385 |
| Conditions still to be met - transferred to liabilities | 744 | 11,207 | 17,313 | 0 | 30,582 | 30,582 | 26,094 | 26,094 | 26,094 |
| Provincial Government: | | | | | | | | | |
| Balance unspent at beginning of the year | 1,722 | 1,722 | 1,722 | (0) | 1,682 | 1,682 | 1,682 | 1,682 | 1,682 |
| Current year receipts | 2,489 | 3,019 | 324 | - | 367 | 367 | - | - | - |
| Conditions met - transferred to revenue | 2,489 | 3,019 | 364 | - | 367 | 367 | 510 | - | - |
| Conditions still to be met - transferred to liabilities | 1,722 | 1,722 | 1,682 | (0) | 1,682 | 1,682 | 1,172 | 1,682 | 1,682 |
| District Municipality: | | | | | | | | | |
| Balance unspent at beginning of the year | - | - | - | - | - | - | - | - | - |
| Current year receipts | - | - | - | - | - | - | - | - | - |
| Conditions met - transferred to revenue | - | - | - | - | - | - | - | - | - |
| Conditions still to be met - transferred to liabilities | - | - | - | - | - | - | - | - | - |
| Other grant providers: | | | | | | | | | |
| Balance unspent at beginning of the year | - | - | - | - | - | - | - | - | - |
| Current year receipts | - | - | 818 | - | 4,104 | 4,104 | - | - | - |
| Conditions met - transferred to revenue | - | - | 535 | - | 4,104 | 4,104 | - | - | - |
| Conditions still to be met - transferred to liabilities | - | - | - | - | - | - | - | - | - |
| Total capital transfers and grants revenue | 14,460 | 9,179 | 8,719 | 69,579 | 36,794 | 36,794 | 32,125 | 24,421 | 27,385 |
| Total capital transfers and grants - CTBM | 2,466 | 12,929 | 18,996 | 0 | 32,264 | 32,264 | 27,266 | 27,777 | 27,777 |
| TOTAL TRANSFERS AND GRANTS REVENUE | 51,487 | 79,501 | 90,452 | 128,375 | 98,510 | 98,510 | 98,676 | 93,111 | 101,811 |
| TOTAL TRANSFERS AND GRANTS - CTBM | 8,538 | 11,064 | 18,887 | 0 | 30,840 | 30,840 | 25,842 | 26,352 | 26,352 |

2.8 Councillor and employee benefits

Table 17 MBRR SA22 - Summary of councillor and staff benefits

| Summary of Employee and Councillor Remuneration | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| | A | B | C | D | E | F | G | H | I |
| Councillors (Political Office Bearers plus Other) | | | | | | | | | |
| Salary | 4,332 | 3,871 | 4,224 | 5,195 | 5,233 | 5,233 | 7,303 | 7,733 | 8,143 |
| Pension Contributions | 213 | 258 | 246 | 365 | 696 | 696 | - | - | - |
| Medical Aid Contributions | - | - | - | - | - | - | - | - | - |
| Travel, Accomodation and Other Allowances | - | 592 | 588 | 597 | 597 | 597 | - | - | - |
| Cell phone allowance | - | 256 | 276 | 331 | 331 | 331 | - | - | - |
| Housing benefits and allowances | - | - | - | - | - | - | - | - | - |
| Other benefits or allowances | - | - | - | - | - | - | - | - | - |
| In-kind benefits | - | - | - | - | - | - | - | - | - |
| Sub Total - Councillors | 4,545 | 4,977 | 5,334 | 6,488 | 6,857 | 6,857 | 7,303 | 7,733 | 8,143 |
| % increase | | 9.5% | 7.2% | 21.6% | 5.7% | - | 6.5% | 5.9% | 5.3% |
| Senior Managers of the Municipality | | | | | | | | | |
| Salary | 1,960 | 2,347 | 3,228 | 3,536 | 3,536 | 3,536 | 6,730 | 7,066 | 7,419 |
| Pension Contributions | 80 | 112 | 347 | 485 | 485 | 485 | - | - | - |
| Group Life Insurance Contributions | 19 | 24 | 33 | 49 | 49 | 49 | - | - | - |
| Medical Aid Contributions | 31 | 36 | 69 | 75 | 75 | 75 | - | - | - |
| Travel, Accomodation and Other Allowances | 436 | 493 | 480 | 462 | 462 | 462 | - | - | - |
| Cell phone allowance | - | - | - | - | - | - | - | - | - |
| Housing benefits and allowances | - | - | - | - | - | - | - | - | - |
| Performance Bonus | - | - | 492 | 460 | 460 | 460 | 808 | 867 | 926 |
| Other benefits or allowances | - | 97 | 7 | - | - | - | - | - | - |
| In-kind benefits | - | - | - | - | - | - | - | - | - |
| Post-retirement benefit obligations | - | - | - | - | - | - | - | - | - |
| Sub Total - Senior Managers of Municipality | 2,526 | 3,110 | 4,657 | 5,067 | 5,067 | 5,067 | 7,537 | 7,933 | 8,346 |
| % increase | | 23.1% | 49.7% | 8.8% | - | - | 48.8% | 5.3% | 5.2% |
| Other Municipal Staff | | | | | | | | | |
| Basic Salaries and Wages | 54,555 | 66,552 | 86,488 | 95,826 | 102,151 | 102,151 | 110,569 | 114,143 | 122,122 |
| Pension Contributions | 8,876 | 10,291 | 14,224 | 16,499 | 15,962 | 15,962 | 18,727 | 20,113 | 21,481 |
| Medical Aid Contributions | 5,823 | 6,746 | 6,703 | 7,679 | 7,925 | 7,925 | 8,704 | 9,574 | 10,531 |
| UIF Contribution | 2,510 | 715 | 1,779 | 1,933 | 1,118 | 1,118 | 965 | 1,036 | 1,107 |
| Contributions to WCA | - | - | - | - | 1,295 | 1,295 | 1,072 | 1,151 | 1,229 |
| Travel, Accomodation and Other Allowances | 2,278 | 3,260 | 4,076 | 4,815 | 4,548 | 4,548 | 6,206 | 6,572 | 6,920 |
| Bonus | 3,989 | 4,610 | 6,280 | 7,694 | 7,381 | 7,381 | 8,726 | 9,372 | 10,009 |
| Group Life Insurance | 485 | 594 | 826 | 935 | 949 | 949 | 1,138 | 1,223 | 1,306 |
| Housing benefits and allowances | 630 | 449 | 356 | 313 | 336 | 336 | 368 | 387 | 406 |
| Overtime | 5,286 | 6,726 | 9,485 | 4,997 | 6,316 | 6,316 | 3,804 | 4,085 | 4,363 |
| Performance Bonus | 767 | 301 | - | - | - | - | - | - | - |
| Bargaining Council Contribution | 2 | 30 | 38 | 135 | 38 | 38 | 44 | 47 | 50 |
| Post-Retirement benefit obligation | 7,854 | 3,210 | 3,826 | 802 | 809 | 809 | 1,357 | 1,484 | 1,610 |
| Training Levies | 691 | 823 | 1,090 | 1,295 | 1,287 | 1,287 | 965 | 1,036 | 1,107 |
| Other benefits or allowances | - | - | - | - | - | - | - | - | - |
| In-kind benefits | - | - | - | - | - | - | - | - | - |
| Sub Total - Other Municipal Staff | 93,747 | 104,308 | 135,169 | 142,923 | 150,115 | 150,115 | 162,645 | 170,223 | 182,242 |
| % increase | | 11.3% | 29.6% | 5.7% | 5.0% | - | 8.3% | 4.7% | 7.1% |
| Total Parent Municipality | 100,818 | 112,395 | 145,160 | 154,477 | 162,039 | 162,039 | 177,485 | 185,890 | 198,731 |
| | | 11.5% | 29.2% | 6.4% | 4.9% | - | 9.5% | 4.7% | 6.9% |
| TOTAL SALARY, ALLOWANCES & BENEFITS | 100,818 | 112,395 | 145,160 | 154,477 | 162,039 | 162,039 | 177,485 | 185,890 | 198,731 |
| % increase | | 11.5% | 29.2% | 6.4% | 4.9% | - | 9.5% | 4.7% | 6.9% |
| TOTAL MANAGERS AND STAFF | 96,273 | 107,418 | 139,826 | 147,989 | 155,182 | 155,182 | 170,182 | 178,157 | 190,587 |

**Table 48 MBRR SA23 - Salaries, allowances and benefits
(political office bearers/councillors/ senior managers)**

| Disclosure of Salaries, Allowances & Benefits / Rand per annum | Salary | Contributions | Allowances | Performance Bonuses | In-kind benefits | Total Package |
|--|-------------------|---------------|------------|---------------------|------------------|-------------------|
| Councillors | | | | | | |
| Speaker | 561,373 | - | - | - | - | 561,373 |
| Executive Mayor | 696,705 | - | - | - | - | 696,705 |
| Deputy Executive Mayor | - | - | - | - | - | - |
| Executive Committee | 1,166,504 | - | - | - | - | 1,166,504 |
| Total for all other councillors | 4,878,006 | - | - | - | - | 4,878,006 |
| Total Councillors | 7,302,588 | - | - | - | - | 7,302,588 |
| Senior Managers of the Municipality | | | | | | |
| Municipal Manager (MM) | 1,051,357 | - | - | 126,163 | - | 1,177,520 |
| Chief Finance Officer | 946,373 | - | - | 113,565 | - | 1,059,938 |
| Director Corporate Services | 946,373 | - | - | 113,565 | - | 1,059,938 |
| Director Development Services | 946,373 | - | - | 113,565 | - | 1,059,938 |
| Director Electrical And Mechanical | 946,373 | - | - | 113,565 | - | 1,059,938 |
| Director Infrastructure Services | 946,373 | - | - | 113,565 | - | 1,059,938 |
| Director Planning and Project Management | 946,373 | - | - | 113,565 | - | 1,059,938 |
| Total Senior Managers of the Municipality | 6,729,595 | - | - | 807,552 | - | 7,537,147 |
| TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION | 14,032,183 | - | - | 807,552 | - | 14,839,735 |

Table 18 MBRR SA24 – Summary of personnel numbers

| Summary of Personnel Numbers | 2010/11 | | | Current Year 2011/12 | | | Budget Year 2012/13 | | |
|---|-----------|---------------------|--------------------|----------------------|---------------------|--------------------|---------------------|---------------------|--------------------|
| Number | Positions | Permanent employees | Contract employees | Positions | Permanent employees | Contract employees | Positions | Permanent employees | Contract employees |
| Municipal Council and Boards of Municipal Entities | | | | | | | | | |
| Councillors (Political Office Bearers plus Other Councillors) | - | - | - | 26 | - | 26 | 27 | - | 27 |
| Board Members of municipal entities | - | - | - | - | - | - | - | - | - |
| Municipal employees | | | | | | | | | |
| Municipal Manager and Senior Managers | - | - | - | 5 | - | 5 | 5 | - | 5 |
| Other Managers | - | - | - | 19 | 18 | 1 | 19 | 18 | 1 |
| Professionals | - | - | - | 30 | 30 | - | 32 | 32 | - |
| Finance | - | - | - | 10 | 10 | - | 10 | 10 | - |
| Spatial/town planning | - | - | - | 2 | 2 | - | 2 | 2 | - |
| Information Technology | - | - | - | - | - | - | - | - | - |
| Roads | - | - | - | - | - | - | - | - | - |
| Electricity | - | - | - | 1 | 1 | - | 2 | 2 | - |
| Water | - | - | - | - | - | - | - | - | - |
| Sanitation | - | - | - | 5 | 5 | - | 6 | 6 | - |
| Refuse | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | 12 | 12 | - | 12 | 12 | - |
| Technicians | - | - | - | 84 | 84 | - | 87 | 87 | - |
| Finance | - | - | - | 1 | 1 | - | 1 | 1 | - |
| Spatial/town planning | - | - | - | 5 | 5 | - | 5 | 5 | - |
| Information Technology | - | - | - | 4 | 4 | - | 4 | 4 | - |
| Roads | - | - | - | 11 | 11 | - | 11 | 11 | - |
| Electricity | - | - | - | 11 | 11 | - | 11 | 11 | - |
| Water | - | - | - | 10 | 10 | - | 11 | 11 | - |
| Sanitation | - | - | - | 3 | 3 | - | 4 | 4 | - |
| Refuse | - | - | - | 3 | 3 | - | 3 | 3 | - |
| Other | - | - | - | 36 | 36 | - | 37 | 37 | - |
| Clerks (Clerical and administrative) | - | - | - | 130 | 124 | 6 | 130 | 130 | - |
| Service and sales workers | - | - | - | 100 | 83 | 17 | 120 | 120 | - |
| Skilled agricultural and fishery workers | - | - | - | - | - | - | - | - | - |
| Craft and related trades | - | - | - | - | - | - | - | - | - |
| Plant and Machine Operators | - | - | - | 69 | 68 | 1 | 69 | 69 | - |
| Elementary Occupations | - | - | - | 397 | 365 | 32 | 420 | 420 | - |
| TOTAL PERSONNEL NUMBERS | - | - | - | 860 | 772 | 88 | 909 | 876 | 33 |
| % increase | - | - | - | - | - | - | 5.7% | 13.5% | (62.5%) |
| Total municipal employees headcount | - | - | - | 834 | 777 | 57 | 882 | 876 | 33 |
| Finance personnel headcount | - | - | - | 59 | 54 | 5 | 59 | 59 | - |
| Human Resources personnel headcount | - | - | - | 15 | 15 | - | 16 | 16 | - |

2.9 Monthly targets for revenue, expenditure and cash flow

Table 19 MBRR SA25 - Budgeted monthly revenue and expenditure

| Description / R thousand | Budget Year 2012/13 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|--|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---|------------------------|------------------------|
| | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Revenue By Source | | | | | | | | | | | | | | | |
| Property rates | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 48,654 | 52,081 | 55,750 |
| Property rates - penalties & collection charges | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - electricity revenue | 16,174 | 16,174 | 16,174 | 16,174 | 16,174 | 16,174 | 16,174 | 16,174 | 16,174 | 16,174 | 16,174 | 16,174 | 194,082 | 215,425 | 239,115 |
| Service charges - water revenue | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 43,412 | 46,454 | 49,708 |
| Service charges - sanitation revenue | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 | 24,842 | 26,583 | 28,446 |
| Service charges - refuse revenue | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 22,659 | 24,245 | 25,942 |
| Service charges - other | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Rental of facilities and equipment | 516 | 516 | 516 | 516 | 516 | 516 | 516 | 516 | 516 | 516 | 516 | 516 | 6,192 | 6,812 | 7,493 |
| Interest earned - external investments | 126 | 126 | 126 | 126 | 126 | 126 | 126 | 126 | 126 | 126 | 126 | 126 | 1,512 | 1,588 | 1,667 |
| Interest earned - outstanding debtors | 242 | 242 | 242 | 242 | 242 | 242 | 242 | 242 | 242 | 242 | 242 | 242 | 2,902 | 3,106 | 3,323 |
| Dividends received | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fines | 134 | 134 | 134 | 134 | 134 | 134 | 134 | 134 | 134 | 134 | 134 | 134 | 1,611 | 1,772 | 1,949 |
| Licences and permits | 139 | 139 | 139 | 139 | 139 | 139 | 139 | 139 | 139 | 139 | 139 | 139 | 1,669 | 1,836 | 2,020 |
| Agency services | 285 | 285 | 285 | 285 | 285 | 285 | 285 | 285 | 285 | 285 | 285 | 285 | 3,415 | 3,756 | 4,132 |
| Transfers recognised - operational | 5,546 | 5,546 | 5,546 | 5,546 | 5,546 | 5,546 | 5,546 | 5,546 | 5,546 | 5,546 | 5,546 | 5,546 | 66,551 | 68,690 | 74,426 |
| Other revenue | 229 | 229 | 229 | 229 | 229 | 229 | 229 | 229 | 229 | 229 | 229 | 229 | 2,751 | 3,025 | 3,327 |
| Gains on disposal of PPE | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | 35,021 | 35,021 | 35,021 | 35,021 | 35,021 | 35,021 | 35,021 | 35,021 | 35,021 | 35,021 | 35,021 | 35,021 | 420,253 | 455,372 | 497,298 |
| Expenditure By Type | | | | | | | | | | | | | | | |
| Employee related costs | 14,182 | 14,182 | 14,182 | 14,182 | 14,182 | 14,182 | 14,182 | 14,182 | 14,182 | 14,182 | 14,182 | 14,182 | 170,182 | 178,157 | 190,587 |
| Remuneration of councillors | 609 | 609 | 609 | 609 | 609 | 609 | 609 | 609 | 609 | 609 | 609 | 609 | 7,303 | 7,733 | 8,143 |
| Debt impairment | 45 | 45 | 45 | 45 | 45 | 45 | 45 | 45 | 45 | 45 | 45 | 45 | 540 | 600 | 650 |
| Depreciation & asset impairment | 1,202 | 1,202 | 1,202 | 1,202 | 1,202 | 1,202 | 1,202 | 1,202 | 1,202 | 1,202 | 1,202 | 1,202 | 14,428 | 16,159 | 17,452 |
| Finance charges | 1,062 | 1,062 | 1,062 | 1,062 | 1,062 | 1,062 | 1,062 | 1,062 | 1,062 | 1,062 | 1,062 | 1,062 | 12,740 | 14,269 | 15,411 |
| Bulk purchases | 9,742 | 9,742 | 9,742 | 9,742 | 9,742 | 9,742 | 9,742 | 9,742 | 9,742 | 9,742 | 9,742 | 9,742 | 116,901 | 132,512 | 150,221 |
| Other materials | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Contracted services | 793 | 793 | 793 | 793 | 793 | 793 | 793 | 793 | 793 | 793 | 793 | 793 | 9,510 | 9,376 | 9,875 |
| Transfers and grants | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 583 | 641 | 705 |
| Other expenditure | 7,209 | 7,209 | 7,209 | 7,209 | 7,209 | 7,209 | 7,209 | 7,209 | 7,209 | 7,209 | 7,209 | 7,209 | 86,510 | 94,219 | 102,407 |
| Loss on disposal of PPE | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Expenditure | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 418,697 | 453,667 | 495,452 |
| Surplus/(Deficit) | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 1,556 | 1,706 | 1,846 |
| Transfers recognised - capital | 2,677 | 2,677 | 2,677 | 2,677 | 2,677 | 2,677 | 2,677 | 2,677 | 2,677 | 2,677 | 2,677 | 2,677 | 32,125 | 24,421 | 27,385 |
| Contributions recognised - capital | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Contributed assets | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 33,681 | 26,127 | 29,231 |
| Taxation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Attributable to minorities | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 33,681 | 26,127 | 29,231 |

Table 20 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

| Description / R thousand | Budget Year 2012/13 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---|------------------------|------------------------|
| | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Revenue by Vote | | | | | | | | | | | | | | | |
| Vote 1 - MUNICIPAL MANAGER | 4,490 | 4,490 | 4,490 | 4,490 | 4,490 | 4,490 | 4,490 | 4,490 | 4,490 | 4,490 | 4,490 | 4,490 | 53,876 | 57,825 | 62,068 |
| Vote 2 - CORPORATE SERVICES | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 1,392 | 1,498 | 1,614 |
| Vote 3 - FINANCIAL SERVICES | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 | 96,757 | 92,679 | 101,500 |
| Vote 4 - DEVELOPMENT SERVICES | 2,950 | 2,950 | 2,950 | 2,950 | 2,950 | 2,950 | 2,950 | 2,950 | 2,950 | 2,950 | 2,950 | 2,950 | 35,395 | 38,109 | 41,022 |
| Vote 5 - TECHNICAL SERVICES | 22,080 | 22,080 | 22,080 | 22,080 | 22,080 | 22,080 | 22,080 | 22,080 | 22,080 | 22,080 | 22,080 | 22,080 | 264,958 | 289,683 | 318,479 |
| Total Revenue by Vote | 37,698 | 37,698 | 37,698 | 37,698 | 37,698 | 37,698 | 37,698 | 37,698 | 37,698 | 37,698 | 37,698 | 37,698 | 452,378 | 479,793 | 524,683 |
| Expenditure by Vote to be appropriated | | | | | | | | | | | | | | | |
| Vote 1 - MUNICIPAL MANAGER | 3,555 | 3,555 | 3,555 | 3,555 | 3,555 | 3,555 | 3,555 | 3,555 | 3,555 | 3,555 | 3,555 | 3,555 | 42,656 | 41,456 | 44,644 |
| Vote 2 - CORPORATE SERVICES | 1,399 | 1,399 | 1,399 | 1,399 | 1,399 | 1,399 | 1,399 | 1,399 | 1,399 | 1,399 | 1,399 | 1,399 | 16,787 | 18,375 | 19,866 |
| Vote 3 - FINANCIAL SERVICES | 3,087 | 3,087 | 3,087 | 3,087 | 3,087 | 3,087 | 3,087 | 3,087 | 3,087 | 3,087 | 3,087 | 3,087 | 37,047 | 40,198 | 43,158 |
| Vote 4 - DEVELOPMENT SERVICES | 7,780 | 7,780 | 7,780 | 7,780 | 7,780 | 7,780 | 7,780 | 7,780 | 7,780 | 7,780 | 7,780 | 7,780 | 93,366 | 100,047 | 106,796 |
| Vote 5 - TECHNICAL SERVICES | 19,070 | 19,070 | 19,070 | 19,070 | 19,070 | 19,070 | 19,070 | 19,070 | 19,070 | 19,070 | 19,070 | 19,070 | 228,842 | 253,591 | 280,988 |
| Total Expenditure by Vote | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 418,697 | 453,667 | 495,452 |
| Surplus/(Deficit) before assoc. | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 33,681 | 26,127 | 29,231 |
| Taxation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Attributable to minorities | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 33,681 | 26,127 | 29,231 |

Table 21 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)

| Description / R thousand | Budget Year 2012/13 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|--|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---|------------------------|------------------------|
| | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Revenue - Standard | | | | | | | | | | | | | | | |
| <i>Governance and administration</i> | 12,225 | 12,225 | 12,225 | 12,225 | 12,225 | 12,225 | 12,225 | 12,225 | 12,225 | 12,225 | 12,225 | 12,225 | 146,700 | 146,145 | 158,739 |
| Executive and council | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 48,654 | 52,082 | 55,751 |
| Budget and treasury office | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 | 96,757 | 92,679 | 101,500 |
| Corporate services | 107 | 107 | 107 | 107 | 107 | 107 | 107 | 107 | 107 | 107 | 107 | 107 | 1,288 | 1,384 | 1,488 |
| <i>Community and public safety</i> | 1,431 | 1,431 | 1,431 | 1,431 | 1,431 | 1,431 | 1,431 | 1,431 | 1,431 | 1,431 | 1,431 | 1,431 | 17,167 | 18,653 | 20,268 |
| Community and social services | 107 | 107 | 107 | 107 | 107 | 107 | 107 | 107 | 107 | 107 | 107 | 107 | 1,279 | 1,391 | 1,511 |
| Sport and recreation | 471 | 471 | 471 | 471 | 471 | 471 | 471 | 471 | 471 | 471 | 471 | 471 | 5,650 | 6,215 | 6,836 |
| Public safety | 618 | 618 | 618 | 618 | 618 | 618 | 618 | 618 | 618 | 618 | 618 | 618 | 7,421 | 8,163 | 8,980 |
| Housing | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 1,600 | 1,600 | 1,600 |
| Health | 101 | 101 | 101 | 101 | 101 | 101 | 101 | 101 | 101 | 101 | 101 | 101 | 1,216 | 1,283 | 1,341 |
| <i>Economic and environmental services</i> | 168 | 168 | 168 | 168 | 168 | 168 | 168 | 168 | 168 | 168 | 168 | 168 | 2,019 | 2,167 | 2,331 |
| Planning and development | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 1,810 | 1,937 | 2,078 |
| Road transport | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 209 | 230 | 253 |
| Environmental protection | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | 23,874 | 23,874 | 23,874 | 23,874 | 23,874 | 23,874 | 23,874 | 23,874 | 23,874 | 23,874 | 23,874 | 23,874 | 286,492 | 312,829 | 343,346 |
| Electricity | 16,183 | 16,183 | 16,183 | 16,183 | 16,183 | 16,183 | 16,183 | 16,183 | 16,183 | 16,183 | 16,183 | 16,183 | 194,192 | 215,546 | 239,248 |
| Water | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 43,414 | 46,455 | 49,709 |
| Waste water management | 2,186 | 2,186 | 2,186 | 2,186 | 2,186 | 2,186 | 2,186 | 2,186 | 2,186 | 2,186 | 2,186 | 2,186 | 26,227 | 26,583 | 28,446 |
| Waste management | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 22,659 | 24,245 | 25,942 |
| <i>Other</i> | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 |
| Total Revenue - Standard | 37,698 | 37,698 | 37,698 | 37,698 | 37,698 | 37,698 | 37,698 | 37,698 | 37,698 | 37,698 | 37,698 | 37,698 | 452,378 | 479,793 | 524,683 |
| Expenditure - Standard | | | | | | | | | | | | | | | |
| <i>Governance and administration</i> | 8,819 | 8,819 | 8,819 | 8,819 | 8,819 | 8,819 | 8,819 | 8,819 | 8,819 | 8,819 | 8,819 | 8,819 | 105,827 | 111,460 | 120,961 |
| Executive and council | 1,996 | 1,996 | 1,996 | 1,996 | 1,996 | 1,996 | 1,996 | 1,996 | 1,996 | 1,996 | 1,996 | 1,996 | 23,948 | 21,205 | 22,839 |
| Budget and treasury office | 3,087 | 3,087 | 3,087 | 3,087 | 3,087 | 3,087 | 3,087 | 3,087 | 3,087 | 3,087 | 3,087 | 3,087 | 37,047 | 40,198 | 43,158 |
| Corporate services | 3,736 | 3,736 | 3,736 | 3,736 | 3,736 | 3,736 | 3,736 | 3,736 | 3,736 | 3,736 | 3,736 | 3,736 | 44,831 | 50,057 | 54,964 |
| <i>Community and public safety</i> | 5,213 | 5,213 | 5,213 | 5,213 | 5,213 | 5,213 | 5,213 | 5,213 | 5,213 | 5,213 | 5,213 | 5,213 | 62,551 | 67,264 | 72,021 |
| Community and social services | 514 | 514 | 514 | 514 | 514 | 514 | 514 | 514 | 514 | 514 | 514 | 514 | 6,167 | 6,634 | 7,105 |
| Sport and recreation | 2,412 | 2,412 | 2,412 | 2,412 | 2,412 | 2,412 | 2,412 | 2,412 | 2,412 | 2,412 | 2,412 | 2,412 | 28,940 | 31,098 | 33,276 |
| Public safety | 1,597 | 1,597 | 1,597 | 1,597 | 1,597 | 1,597 | 1,597 | 1,597 | 1,597 | 1,597 | 1,597 | 1,597 | 19,162 | 20,640 | 22,138 |
| Housing | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 3,048 | 3,273 | 3,498 |
| Health | 436 | 436 | 436 | 436 | 436 | 436 | 436 | 436 | 436 | 436 | 436 | 436 | 5,234 | 5,620 | 6,005 |
| <i>Economic and environmental services</i> | 2,102 | 2,102 | 2,102 | 2,102 | 2,102 | 2,102 | 2,102 | 2,102 | 2,102 | 2,102 | 2,102 | 2,102 | 25,227 | 27,089 | 27,845 |
| Planning and development | 890 | 890 | 890 | 890 | 890 | 890 | 890 | 890 | 890 | 890 | 890 | 890 | 10,676 | 11,395 | 12,203 |
| Road transport | 1,213 | 1,213 | 1,213 | 1,213 | 1,213 | 1,213 | 1,213 | 1,213 | 1,213 | 1,213 | 1,213 | 1,213 | 14,551 | 15,694 | 15,642 |
| Environmental protection | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | 18,614 | 18,614 | 18,614 | 18,614 | 18,614 | 18,614 | 18,614 | 18,614 | 18,614 | 18,614 | 18,614 | 18,614 | 223,374 | 246,005 | 272,640 |
| Electricity | 11,997 | 11,997 | 11,997 | 11,997 | 11,997 | 11,997 | 11,997 | 11,997 | 11,997 | 11,997 | 11,997 | 11,997 | 143,961 | 161,904 | 181,842 |
| Water | 2,710 | 2,710 | 2,710 | 2,710 | 2,710 | 2,710 | 2,710 | 2,710 | 2,710 | 2,710 | 2,710 | 2,710 | 32,516 | 34,603 | 37,641 |
| Waste water management | 2,029 | 2,029 | 2,029 | 2,029 | 2,029 | 2,029 | 2,029 | 2,029 | 2,029 | 2,029 | 2,029 | 2,029 | 24,350 | 25,534 | 27,749 |
| Waste management | 1,879 | 1,879 | 1,879 | 1,879 | 1,879 | 1,879 | 1,879 | 1,879 | 1,879 | 1,879 | 1,879 | 1,879 | 22,547 | 23,964 | 25,408 |
| <i>Other</i> | 143 | 143 | 143 | 143 | 143 | 143 | 143 | 143 | 143 | 143 | 143 | 143 | 1,718 | 1,848 | 1,985 |
| Total Expenditure - Standard | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 34,891 | 418,697 | 453,667 | 495,452 |
| Surplus/(Deficit) before assoc. | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 33,681 | 26,127 | 29,231 |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 2,807 | 33,681 | 26,127 | 29,231 |

Table 22 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

| Description / R thousand | Budget Year 2012/13 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---------------------|--------|-------|---------|-------|-------|---------|-------|-------|-------|-------|-------|---|------------------------|------------------------|
| | July | August | Sept. | October | Nov. | Dec. | January | Feb. | March | April | May | June | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| <i>Multi-year expenditure to be appropriated</i> | | | | | | | | | | | | | | | |
| Vote 1 - MUNICIPAL MANAGER | 276 | 276 | 276 | 276 | 276 | 276 | 276 | 276 | 276 | 276 | 276 | 276 | 3,310 | 2,800 | 2,800 |
| Vote 2 - CORPORATE SERVICES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 17,568 |
| Vote 3 - FINANCIAL SERVICES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 4 - DEVELOPMENT SERVICES | - | - | - | - | - | - | - | - | - | - | - | - | - | 978 | 4,076 |
| Vote 5 - TECHNICAL SERVICES | 4,667 | 4,667 | 4,667 | 4,667 | 4,667 | 4,667 | 4,667 | 4,667 | 4,667 | 4,667 | 4,667 | 4,667 | 56,001 | 22,616 | 14,404 |
| Capital multi-year expenditure sub-total | 4,943 | 4,943 | 4,943 | 4,943 | 4,943 | 4,943 | 4,943 | 4,943 | 4,943 | 4,943 | 4,943 | 4,943 | 59,311 | 26,394 | 38,848 |
| <i>Single-year expenditure to be appropriated</i> | | | | | | | | | | | | | | | |
| Vote 1 - MUNICIPAL MANAGER | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 1,150 | 1,545 | 1,940 |
| Vote 2 - CORPORATE SERVICES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 3 - FINANCIAL SERVICES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 4 - DEVELOPMENT SERVICES | - | - | - | - | - | - | - | - | - | - | - | - | - | 5,644 | - |
| Vote 5 - TECHNICAL SERVICES | 1,438 | 1,438 | 1,438 | 1,438 | 1,438 | 1,438 | 1,438 | 1,438 | 1,438 | 1,438 | 1,438 | 1,438 | 17,257 | 18,712 | 17,466 |
| Capital single-year expenditure sub-total | 1,534 | 1,534 | 1,534 | 1,534 | 1,534 | 1,534 | 1,534 | 1,534 | 1,534 | 1,534 | 1,534 | 1,534 | 18,407 | 25,901 | 19,406 |
| Total Capital Expenditure | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 77,718 | 52,295 | 58,254 |

Table 23 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

| Description / R thousand | Budget Year 2012/13 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---|------------------------|------------------------|
| | July | August | Sept. | October | Nov. | Dec. | January | Feb. | March | April | May | June | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Capital Expenditure - Standard | | | | | | | | | | | | | | | |
| <i>Governance and administration</i> | 804 | 804 | 804 | 804 | 804 | 804 | 804 | 804 | 804 | 804 | 804 | 804 | 9,650 | 15,257 | 22,308 |
| Executive and council | 329 | 329 | 329 | 329 | 329 | 329 | 329 | 329 | 329 | 329 | 329 | 329 | 3,950 | 4,345 | 4,740 |
| Budget and treasury office | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Corporate services | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 5,700 | 10,912 | 17,568 |
| <i>Community and public safety</i> | - | - | - | - | - | - | - | - | - | - | - | - | - | 3,764 | 4,076 |
| Community and social services | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sport and recreation | - | - | - | - | - | - | - | - | - | - | - | - | - | 3,764 | 4,076 |
| Public safety | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Housing | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Health | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| <i>Economic and environmental services</i> | 2,042 | 2,042 | 2,042 | 2,042 | 2,042 | 2,042 | 2,042 | 2,042 | 2,042 | 2,042 | 2,042 | 2,042 | 24,502 | 8,303 | - |
| Planning and development | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 510 | - | - |
| Road transport | 1,999 | 1,999 | 1,999 | 1,999 | 1,999 | 1,999 | 1,999 | 1,999 | 1,999 | 1,999 | 1,999 | 1,999 | 23,992 | 8,303 | - |
| Environmental protection | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | 3,631 | 3,631 | 3,631 | 3,631 | 3,631 | 3,631 | 3,631 | 3,631 | 3,631 | 3,631 | 3,631 | 3,631 | 43,566 | 24,970 | 31,870 |
| Electricity | 1,919 | 1,919 | 1,919 | 1,919 | 1,919 | 1,919 | 1,919 | 1,919 | 1,919 | 1,919 | 1,919 | 1,919 | 23,026 | 10,255 | 12,524 |
| Water | 1,253 | 1,253 | 1,253 | 1,253 | 1,253 | 1,253 | 1,253 | 1,253 | 1,253 | 1,253 | 1,253 | 1,253 | 15,040 | 600 | 600 |
| Waste water management | 458 | 458 | 458 | 458 | 458 | 458 | 458 | 458 | 458 | 458 | 458 | 458 | 5,500 | 11,258 | 18,746 |
| Waste management | - | - | - | - | - | - | - | - | - | - | - | - | - | 2,857 | - |
| <i>Other</i> | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure - Standard | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 77,718 | 52,295 | 58,254 |

Table 24 MBRR SA30 - Budgeted monthly cash flow

| | Budget Year 2012/13 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|--|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---|------------------------|------------------------|
| | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| MONTHLY CASH FLOWS / R thousand | | | | | | | | | | | | | | | |
| Cash Receipts By Source | | | | | | | | | | | | | | | |
| Property rates | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 | 48,654 | 52,081 | 55,750 |
| Service charges - electricity revenue | 16,174 | 16,174 | 16,174 | 16,174 | 16,174 | 16,174 | 16,174 | 16,174 | 16,174 | 16,174 | 16,174 | 16,174 | 194,082 | 215,425 | 239,115 |
| Service charges - water revenue | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 3,618 | 43,412 | 46,454 | 49,708 |
| Service charges - sanitation revenue | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 | 24,842 | 26,583 | 28,446 |
| Service charges - refuse revenue | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 1,888 | 22,659 | 24,245 | 25,942 |
| Rental of facilities and equipment | 516 | 516 | 516 | 516 | 516 | 516 | 516 | 516 | 516 | 516 | 516 | 516 | 6,192 | 6,812 | 7,493 |
| Interest earned - external investments | 126 | 126 | 126 | 126 | 126 | 126 | 126 | 126 | 126 | 126 | 126 | 126 | 1,512 | 1,588 | 1,667 |
| Interest earned - outstanding debtors | 242 | 242 | 242 | 242 | 242 | 242 | 242 | 242 | 242 | 242 | 242 | 242 | 2,902 | 3,106 | 3,323 |
| Fines | 134 | 134 | 134 | 134 | 134 | 134 | 134 | 134 | 134 | 134 | 134 | 134 | 1,611 | 1,772 | 1,949 |
| Licences and permits | 139 | 139 | 139 | 139 | 139 | 139 | 139 | 139 | 139 | 139 | 139 | 139 | 1,669 | 1,836 | 2,020 |
| Agency services | 285 | 285 | 285 | 285 | 285 | 285 | 285 | 285 | 285 | 285 | 285 | 285 | 3,415 | 3,756 | 4,132 |
| Transfer receipts - operational | 5,546 | 5,546 | 5,546 | 5,546 | 5,546 | 5,546 | 5,546 | 5,546 | 5,546 | 5,546 | 5,546 | 5,546 | 66,551 | 68,690 | 74,426 |
| Other revenue | 229 | 229 | 229 | 229 | 229 | 229 | 229 | 229 | 229 | 229 | 229 | 229 | 2,751 | 3,025 | 3,327 |
| Cash Receipts by Source | 35,021 | 35,021 | 35,021 | 35,021 | 35,021 | 35,021 | 35,021 | 35,021 | 35,021 | 35,021 | 35,021 | 35,021 | 420,253 | 455,372 | 497,298 |
| Other Cash Flows by Source | | | | | | | | | | | | | | | |
| Transfer receipts - capital | 2,677 | 2,677 | 2,677 | 2,677 | 2,677 | 2,677 | 2,677 | 2,677 | 2,677 | 2,677 | 2,677 | 2,677 | 32,125 | 24,421 | 27,385 |
| Increase in Trust Funds | (25) | (25) | (25) | (25) | (25) | (25) | (25) | (25) | (25) | (25) | (25) | (25) | (300) | 200 | 200 |
| Borrowing long term/refinancing | 3,466 | 3,466 | 3,466 | 3,466 | 3,466 | 3,466 | 3,466 | 3,466 | 3,466 | 3,466 | 3,466 | 3,466 | 41,593 | 23,473 | 26,069 |
| Increase (decrease) in consumer deposits | 83 | 83 | 83 | 83 | 83 | 83 | 83 | 83 | 83 | 83 | 83 | 83 | 1,000 | - | 500 |
| Decrease (increase) in non-current investments | (83) | (83) | (83) | (83) | (83) | (83) | (83) | (83) | (83) | (83) | (83) | (83) | (1,000) | (1,000) | - |
| Total Cash Receipts by Source | 41,139 | 41,139 | 41,139 | 41,139 | 41,139 | 41,139 | 41,139 | 41,139 | 41,139 | 41,139 | 41,139 | 41,164 | 493,671 | 502,467 | 551,452 |
| Cash Payments by Type | | | | | | | | | | | | | | | |
| Employee related costs | 14,182 | 14,182 | 14,182 | 14,182 | 14,182 | 14,182 | 14,182 | 14,182 | 14,182 | 14,182 | 14,182 | 14,182 | 170,182 | 178,157 | 190,587 |
| Remuneration of councillors | 609 | 609 | 609 | 609 | 609 | 609 | 609 | 609 | 609 | 609 | 609 | 609 | 7,303 | 7,733 | 8,143 |
| Finance charges | 1,062 | 1,062 | 1,062 | 1,062 | 1,062 | 1,062 | 1,062 | 1,062 | 1,062 | 1,062 | 1,062 | 1,062 | 12,740 | 14,269 | 15,411 |
| Bulk purchases - Electricity | 9,552 | 9,552 | 9,552 | 9,552 | 9,552 | 9,552 | 9,552 | 9,552 | 9,552 | 9,552 | 9,552 | 9,552 | 114,630 | 130,105 | 147,669 |
| Bulk purchases - Water & Sewer | 189 | 189 | 189 | 189 | 189 | 189 | 189 | 189 | 189 | 189 | 189 | 189 | 2,271 | 2,408 | 2,552 |
| Contracted services | 793 | 793 | 793 | 793 | 793 | 793 | 793 | 793 | 793 | 793 | 793 | 793 | 9,510 | 9,376 | 9,875 |
| Transfers and grants - other | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 49 | 583 | 641 | 705 |
| Other expenditure | 7,050 | 7,050 | 7,050 | 7,050 | 7,050 | 7,050 | 7,050 | 7,050 | 7,050 | 7,050 | 7,050 | 7,050 | 84,605 | 92,124 | 100,103 |
| Cash Payments by Type | 33,485 | 33,485 | 33,485 | 33,485 | 33,485 | 33,485 | 33,485 | 33,485 | 33,485 | 33,485 | 33,485 | 33,485 | 401,825 | 434,813 | 475,046 |
| Other Cash Flows/Payments by Type | | | | | | | | | | | | | | | |
| Capital assets | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 6,477 | 77,718 | 52,295 | 58,254 |
| Repayment of borrowing | 667 | 667 | 667 | 667 | 667 | 667 | 667 | 667 | 667 | 667 | 667 | 667 | 8,000 | 10,500 | 12,500 |
| Other Cash Flows/Payments | 707 | 707 | 707 | 707 | 707 | 707 | 707 | 707 | 707 | 707 | 707 | 707 | 8,488 | 3,484 | 2,202 |
| Total Cash Payments by Type | 41,336 | 41,336 | 41,336 | 41,336 | 41,336 | 41,336 | 41,336 | 41,336 | 41,336 | 41,336 | 41,336 | 41,336 | 496,031 | 501,092 | 548,002 |
| NET INCREASE/(DECREASE) IN CASH HELD | (197) | (197) | (197) | (197) | (197) | (197) | (197) | (197) | (197) | (197) | (197) | (172) | (2,360) | 1,375 | 3,450 |
| Cash/cash equivalents at the month/year begin: | 12,366 | 12,169 | 11,973 | 11,776 | 11,579 | 11,383 | 11,186 | 10,989 | 10,792 | 10,596 | 10,399 | 10,202 | 12,366 | 10,006 | 11,381 |
| Cash/cash equivalents at the month/year end: | 12,169 | 11,973 | 11,776 | 11,579 | 11,383 | 11,186 | 10,989 | 10,792 | 10,596 | 10,399 | 10,202 | 10,031 | 10,006 | 11,381 | 14,831 |

2.10 Annual budgets and SDBIPs – internal departments

2.10.1 Water Services Department – Vote 5

The department is primarily responsible for the distribution of potable water within the municipal boundary, which includes the purification of raw water, maintenance of the reticulation network and implementation of the departmental capital programme.

**Table 56 Water Services Department –
Operating revenue by source, expenditure by type and total capital expenditure**

| Description | 2007/8 | 2008/9 | 2009/10 | Current Year 2010/11 | | | 2011/12 Medium Term Revenue & | | |
|--|------------------|------------------|------------------|----------------------|------------------|--------------------|-------------------------------|------------------------|------------------------|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2011/12 | Budget Year +1 2012/13 | Budget Year +2 2013/14 |
| Revenue By Source | | | | | | | | | |
| Service charges - water revenue | 1,036,701 | 1,232,886 | 1,325,321 | 1,475,000 | 1,485,000 | 1,485,000 | 1,618,400 | 1,820,700 | 2,048,287 |
| Service charges - other | 5,532 | 5,993 | 6,466 | 7,150 | 7,050 | 7,050 | 7,500 | 8,400 | 9,324 |
| Interest earned - outstanding debtors | 27,676 | 28,590 | 29,780 | 31,250 | 33,775 | 33,775 | 35,000 | 36,750 | 38,588 |
| Transfers recognised - operational | 35,689 | 65,487 | 154,985 | 82,949 | 79,695 | 79,695 | 187,987 | 253,552 | 91,901 |
| Total Revenue (excluding capital transfers and contributions) | 1,105,598 | 1,332,956 | 1,516,552 | 1,596,349 | 1,605,520 | 1,605,520 | 1,848,887 | 2,119,402 | 2,188,100 |
| Expenditure By Type | | | | | | | | | |
| Employee related costs | 194,003 | 221,491 | 245,801 | 262,272 | 266,437 | 266,437 | 308,520 | 331,844 | 357,230 |
| Remuneration of councillors | 469 | 478 | 617 | 647 | 647 | 647 | 758 | 831 | 912 |
| Debt impairment | 65,335 | 67,495 | 70,308 | 71,235 | 81,564 | 81,564 | 84,522 | 87,987 | 91,683 |
| Depreciation & asset impairment | 47,891 | 47,481 | 43,565 | 87,974 | 81,183 | 81,183 | 88,630 | 119,650 | 123,837 |
| Finance charges | 80,723 | 84,087 | 90,416 | 96,186 | 96,186 | 96,186 | 101,785 | 106,874 | 116,386 |
| Bulk purchases | 311,541 | 334,304 | 359,080 | 389,458 | 397,633 | 397,633 | 437,922 | 483,903 | 537,133 |
| Other materials | 28,435 | 40,501 | 33,667 | 38,980 | 40,043 | 40,043 | 59,385 | 64,135 | 68,913 |
| Contracted services | 5,398 | 13,158 | 14,133 | 15,531 | 15,197 | 15,197 | 15,688 | 16,629 | 17,543 |
| Transfers and grants | 169,092 | 223,560 | 255,240 | 296,755 | 296,755 | 296,755 | 300,168 | 338,256 | 379,080 |
| Other expenditure | 71,642 | 79,811 | 86,563 | 92,680 | 91,232 | 91,232 | 96,542 | 102,871 | 111,410 |
| Total Expenditure | 974,528 | 1,112,366 | 1,199,390 | 1,351,719 | 1,366,877 | 1,366,877 | 1,493,920 | 1,652,981 | 1,804,127 |
| Surplus/(Deficit) | 131,070 | 220,590 | 317,162 | 244,630 | 238,643 | 238,642 | 354,967 | 466,421 | 383,973 |
| Transfers recognised - capital | – | 89,052 | 132,806 | 40,000 | 20,000 | 20,000 | 135,676 | 186,923 | 129,523 |
| Surplus/(Deficit) after capital transfers & contributions | 131,070 | 309,642 | 449,968 | 284,630 | 258,643 | 258,642 | 490,643 | 653,344 | 513,496 |
| Capital Expenditure | 151,356 | 304,860 | 408,899 | 372,401 | 295,139 | 295,139 | 211,473 | 338,822 | 347,458 |

Table 25 Water Services Department – Performance objectives and indicators

| Key Performance Element | Key Performance Indicator (KPI) | Annual Target | Quarter 1 - Target | Quarter 2 - Target | Quarter 3 - Target | Quarter 4 - Target | Portfolio of evidence |
|---|---|---------------|---------------------|---|--|--------------------|--|
| <i>Strategic Objective 1 : The provision of quality basic services and infrastructure</i> | | | | | | | |
| Provision of Water | % households in the urban edge provided with access to basic potable water supply within a 200 m radius | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | Reports and Indigent Register |
| | Number of new households provided with water connection | 20,105 | 3,250 | 3,500 | 5,500 | 7,900 | Metering advice receipts |
| | % compliance with the drinking water standards in line with SANS (South African National Standards 241) | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | Compliance reports (Blue Drop Report) |
| | Expansion of the functional Water Demand Management Unit | By March 2012 | Status quo analysis | Draft organisational structure to be in place | Source office space and fill vacancies | | Report on the level of functionality of the unit |
| | % reduction in non-revenue water (unaccounted for water/distribution losses) | 1.0% | 0.5% | 0.5% | 0.5% | 0.5% | Reports |

There are currently no unfilled positions in the top management structure of the Water Services Department. The top management structure consists of the Executive Director, four directors and 23 professional engineers. As part of the performance objectives for the

2012/2013 financial year, the expansion of the functional water demand management unit will require an amendment to the departmental organogram and the subsequent filling of vacancies.

Significant capital projects to be undertaken over the medium term includes, amongst others:

- Algae treatment tanks and filters at Abraham September Holbors Water Purification Plant – R 8.2 million;
- Installation of pre-paid water meters in Paballelo, Rosedale and Louisvale Road – R 6.0 million; and
- Replacement and upgrading of deficient reticulation infrastructure – R 1.8 million.

The total needs (R 38.5 million) are far greater than the available financial resources.

The departmental strategy is ensuring the economic value and useful life of the water reticulation network and infrastructure is maintained. To this end, the medium-term expenditure framework provides for operational repairs and maintenance of R 9.2 million, R 9.9 million and R 10.6 million in each of the respective financial years of the MTREF.

The departmental revenue base is primarily informed by the sale of water of which budget appropriation for the 2012/2013 financial year is R 43.4 million and increases to R 49.7 million by 2014/2015 and has been informed by a collection rate of 99.6% and distribution losses of just over 26%. The reduction of distribution losses is considered a priority and hence the departmental objectives and targets provide for a 2% efficiency gain per annum.

2.11 Contracts having future budgetary implications

In terms of the municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

2.12 Capital expenditure details

The following three tables present details of the municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

Table 58 MBRR SA 34a - Capital expenditure on new assets by asset class

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Capital expenditure on new assets by Asset Class/Sub-class | | | | | | | | | |
| Infrastructure | 24,964 | 12,941 | 22,257 | 113,577 | 54,027 | 54,027 | 70,568 | 35,773 | 34,370 |
| Infrastructure - Road transport | 4,471 | 1,249 | 6,607 | 29,600 | 18,401 | 18,401 | 23,992 | 8,303 | - |
| <i>Roads, Pavements & Bridges</i> | 4,453 | 1,249 | 6,607 | 29,500 | 17,711 | 17,711 | 22,382 | 8,303 | - |
| <i>Storm water</i> | 18 | - | - | 100 | 690 | 690 | 1,610 | - | - |
| Infrastructure - Electricity | 12,034 | 4,980 | 11,359 | 25,306 | 22,318 | 22,318 | 23,026 | 10,255 | 12,524 |
| <i>Transmission & Reticulation</i> | 12,034 | 4,980 | 7,845 | 25,306 | 22,318 | 22,318 | 23,026 | 10,255 | 12,524 |
| <i>Street Lighting</i> | - | - | 3,515 | - | - | - | - | - | - |
| Infrastructure - Water | 8,110 | 4,723 | 3,110 | 32,255 | 11,287 | 11,287 | 14,740 | 300 | 300 |
| <i>Dams & Reservoirs</i> | 2,283 | - | - | 14,600 | 2,800 | 2,800 | 5,926 | - | - |
| <i>Reticulation</i> | 5,827 | 4,723 | 3,110 | 17,655 | 8,487 | 8,487 | 8,814 | 300 | 300 |
| Infrastructure - Sanitation | 279 | 1,988 | 1,180 | 24,450 | 1,409 | 1,409 | 5,500 | 11,258 | 18,746 |
| <i>Reticulation</i> | - | - | 205 | 24,450 | 1,409 | 1,409 | 5,500 | 11,258 | 18,746 |
| <i>Sewerage purification</i> | 279 | 1,988 | 975 | - | - | - | - | - | - |
| Infrastructure - Other | 69 | - | - | 1,966 | 613 | 613 | 3,310 | 5,657 | 2,800 |
| <i>Waste Management</i> | - | - | - | - | 566 | 566 | - | 2,857 | - |
| <i>Transportation</i> | - | - | - | - | - | - | 510 | - | - |
| <i>Other</i> | 69 | - | - | 1,966 | 47 | 47 | 2,800 | 2,800 | 2,800 |
| Community | 859 | 1,678 | 574 | 470 | 9,256 | 9,256 | - | 3,764 | 4,076 |
| Parks & gardens | 87 | 230 | 285 | - | 685 | 685 | - | - | - |
| Sportsfields & stadia | - | - | 93 | - | 4,114 | 4,114 | - | 3,764 | 4,076 |
| Community halls | - | - | - | - | 169 | 169 | - | - | - |
| Recreational facilities | 172 | 420 | - | - | - | - | - | - | - |
| Cemeteries | - | 36 | 196 | 470 | 4,287 | 4,287 | - | - | - |
| Civic Buildings | - | 375 | - | - | - | - | - | - | - |
| Old Age Homes | 576 | - | - | - | - | - | - | - | - |
| Other | 24 | 617 | - | - | - | - | - | - | - |
| Heritage assets | 5 | - | - | - | - | - | - | - | - |
| Other | 5 | - | - | - | - | - | - | - | - |
| Investment properties | - | - | 3,200 | - | - | - | - | - | - |
| Other | - | - | 3,200 | - | - | - | - | - | - |
| Other assets | 651 | 13,560 | 7,234 | 31,000 | 30,074 | 30,074 | 4,870 | 5,165 | 19,508 |
| General vehicles | - | 5,348 | 1,669 | 12,892 | 20,846 | 20,846 | 2,880 | 3,620 | - |
| Specialised vehicles | - | - | - | - | 982 | 982 | 840 | - | - |
| Plant & equipment | 40 | 5,674 | 1,656 | 348 | 5,075 | 5,075 | - | - | - |
| Computers - hardware/equipment | 185 | 550 | 442 | 160 | 245 | 245 | - | - | - |
| Furniture and other office equipment | 335 | 1,421 | 1,075 | - | 917 | 917 | - | - | - |
| Emergency Equipment | - | - | 24 | - | - | - | - | - | - |
| Fire Vehicle | - | - | 150 | - | - | - | - | - | - |
| Other Buildings | 72 | 559 | 1,736 | 15,000 | 1,527 | 1,527 | - | - | 17,568 |
| Other Land | - | - | - | - | 200 | 200 | - | - | - |
| Surplus Assets - (Investment or Inventory) | 18 | 8 | - | - | - | - | - | - | - |
| Other | - | - | 482 | 2,600 | 282 | 282 | 1,150 | 1,545 | 1,940 |
| Agricultural assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Intangibles | - | - | 48 | - | 558 | 558 | - | - | - |
| Computers - software & programming | - | - | 48 | - | 558 | 558 | - | - | - |
| Total Capital Expenditure on new assets | 26,479 | 28,179 | 33,313 | 145,047 | 93,916 | 93,916 | 75,438 | 44,703 | 57,954 |

Table 26 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Capital expenditure on renewal of existing assets by Asset Class/Sub-class | | | | | | | | | |
| <u>Infrastructure</u> | - | - | - | 8,680 | 12,087 | 12,087 | 300 | 300 | 300 |
| Infrastructure - Road transport | - | - | - | 7,300 | 10,870 | 10,870 | - | - | - |
| <i>Roads, Pavements & Bridges</i> | - | - | - | 5,000 | 10,870 | 10,870 | - | - | - |
| <i>Storm water</i> | - | - | - | 2,300 | - | - | - | - | - |
| Infrastructure - Electricity | - | - | - | 400 | - | - | - | - | - |
| <i>Transmission & Reticulation</i> | - | - | - | 400 | - | - | - | - | - |
| Infrastructure - Water | - | - | - | 530 | 430 | 430 | 300 | 300 | 300 |
| <i>Reticulation</i> | - | - | - | 530 | 430 | 430 | 300 | 300 | 300 |
| Infrastructure - Sanitation | - | - | - | 450 | 787 | 787 | - | - | - |
| <i>Reticulation</i> | - | - | - | 450 | 787 | 787 | - | - | - |
| Infrastructure - Other | - | - | - | - | - | - | - | - | - |
| <u>Community</u> | - | - | - | 450 | 67 | 67 | - | - | - |
| Sportsfields & stadia | - | - | - | - | 67 | 67 | - | - | - |
| Cemeteries | - | - | - | 450 | - | - | - | - | - |
| <u>Heritage assets</u> | - | - | - | - | - | - | - | - | - |
| <u>Investment properties</u> | - | - | - | - | - | - | - | - | - |
| <u>Other assets</u> | - | - | - | 100 | 267 | 267 | 1,980 | 7,292 | - |
| General vehicles | - | - | - | - | - | - | 1,980 | 2,442 | - |
| Specialised vehicles | - | - | - | - | - | - | - | 4,850 | - |
| Plant & equipment | - | - | - | - | 21 | 21 | - | - | - |
| Computers - hardware/equipment | - | - | - | - | 4 | 4 | - | - | - |
| Furniture and other office equipment | - | - | - | - | 217 | 217 | - | - | - |
| Civic Land and Buildings | - | - | - | 100 | 25 | 25 | - | - | - |
| <u>Agricultural assets</u> | - | - | - | - | - | - | - | - | - |
| <u>Biological assets</u> | - | - | - | - | - | - | - | - | - |
| <u>Intangibles</u> | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure on renewal of existing assets | - | - | - | 9,230 | 12,420 | 12,420 | 2,280 | 7,592 | 300 |

Table 60 MBRR SA34c - Repairs and maintenance expenditure by asset class

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Repairs and maintenance expenditure by Asset Class/Sub-class | | | | | | | | | |
| Infrastructure | 1,255 | 1,217 | 1,492 | 2,086 | 2,281 | 2,281 | 2,525 | 2,777 | 3,055 |
| Infrastructure - Road transport | 394 | 302 | 359 | 514 | 571 | 571 | 676 | 743 | 818 |
| <i>Roads, Pavements & Bridges</i> | 140 | 87 | 162 | 125 | 199 | 199 | 248 | 273 | 300 |
| <i>Storm water</i> | 254 | 215 | 196 | 389 | 371 | 371 | 428 | 470 | 517 |
| Infrastructure - Electricity | 362 | 482 | 695 | 726 | 728 | 728 | 707 | 778 | 856 |
| <i>Generation</i> | - | - | - | - | - | - | - | - | - |
| <i>Transmission & Reticulation</i> | 362 | 482 | 695 | 726 | 728 | 728 | 707 | 778 | 856 |
| <i>Street Lighting</i> | - | - | - | - | - | - | - | - | - |
| Infrastructure - Water | 406 | 393 | 338 | 643 | 800 | 800 | 878 | 966 | 1,062 |
| <i>Dams & Reservoirs</i> | 7 | 6 | 9 | 60 | 57 | 57 | 60 | 66 | 72 |
| <i>Water purification</i> | - | - | - | - | - | - | - | - | - |
| <i>Reticulation</i> | 399 | 387 | 329 | 583 | 743 | 743 | 818 | 900 | 990 |
| Infrastructure - Sanitation | 85 | 40 | 81 | 178 | 136 | 136 | 215 | 237 | 261 |
| <i>Reticulation</i> | 77 | 33 | 60 | 145 | 117 | 117 | 187 | 206 | 227 |
| <i>Sewerage purification</i> | 8 | 7 | 21 | 33 | 20 | 20 | 28 | 31 | 34 |
| Infrastructure - Other | 9 | 1 | 20 | 25 | 45 | 45 | 48 | 53 | 59 |
| <i>Waste Management</i> | - | - | - | - | - | - | - | - | - |
| <i>Transportation</i> | - | - | - | - | - | - | - | - | - |
| <i>Housing</i> | - | - | 0 | 1 | 0 | 0 | 1 | 1 | 1 |
| <i>Other</i> | 9 | 1 | 19 | 24 | 45 | 45 | 47 | 52 | 57 |
| Community | 254 | 289 | 403 | 462 | 432 | 432 | 484 | 532 | 586 |
| Parks & gardens | 146 | 113 | 142 | 165 | 161 | 161 | 203 | 223 | 246 |
| Sportsfields & stadia | 58 | 103 | 119 | 124 | 134 | 134 | 141 | 155 | 171 |
| Swimming pools | - | - | - | - | - | - | - | - | - |
| Community halls | 1 | 2 | 7 | - | - | - | - | - | - |
| Libraries | - | - | - | - | - | - | - | - | - |
| Recreational facilities | 46 | 66 | 127 | 162 | 126 | 126 | 127 | 139 | 153 |
| Fire, safety & emergency | - | - | - | - | - | - | - | - | - |
| Security and policing | - | - | - | - | - | - | - | - | - |
| Buses | - | - | - | - | - | - | - | - | - |
| Clinics | - | - | - | - | - | - | - | - | - |
| Museums & Art Galleries | - | - | - | - | - | - | - | - | - |
| Cemeteries | 2 | 5 | 9 | 12 | 10 | 10 | 13 | 14 | 16 |
| Social rental housing | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Investment properties | - | - | - | - | - | - | - | - | - |
| Housing development | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Other assets | 6,544 | 6,929 | 8,567 | 8,558 | 8,207 | 8,207 | 8,743 | 9,618 | 10,579 |
| General vehicles | 4,528 | 3,947 | 5,288 | 5,227 | 4,886 | 4,886 | 5,109 | 5,620 | 6,182 |
| Specialised vehicles | - | - | - | - | - | - | - | - | - |
| Plant & equipment | 604 | 929 | 948 | 860 | 827 | 827 | 925 | 1,017 | 1,119 |
| Computers - hardware/equipment | 67 | 86 | 131 | 170 | 121 | 121 | 134 | 147 | 162 |
| Furniture and other office equipment | - | - | - | - | - | - | - | - | - |
| Abattoirs | - | - | - | - | - | - | - | - | - |
| Markets | - | - | - | - | - | - | - | - | - |
| Civic Land and Buildings | - | - | - | - | - | - | - | - | - |
| Other Buildings | 1,066 | 1,722 | 1,887 | 1,940 | 2,052 | 2,052 | 2,013 | 2,214 | 2,436 |
| Other Land | - | - | - | - | - | - | - | - | - |
| Surplus Assets - (Investment or Inventory) | - | - | - | - | - | - | - | - | - |
| Other | 279 | 245 | 313 | 360 | 320 | 320 | 562 | 619 | 681 |
| Agricultural assets | - | - | - | - | - | - | - | - | - |
| <i>List sub-class</i> | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| <i>List sub-class</i> | - | - | - | - | - | - | - | - | - |
| Intangibles | - | - | - | - | - | - | - | - | - |
| Computers - software & programming | - | - | - | - | - | - | - | - | - |
| <i>Other (list sub-class)</i> | - | - | - | - | - | - | - | - | - |
| Total Repairs and Maintenance Expenditure | 8,053 | 8,436 | 10,462 | 11,106 | 10,920 | 10,920 | 11,752 | 12,927 | 14,219 |

Table 27 MBRR SA35 - Future financial implications of the capital budget

| Vote Description / R thousand | 2012/13 Medium Term Revenue & Expenditure Framework | | | Forecasts | | | |
|--|---|------------------------|------------------------|------------------|------------------|------------------|---------------|
| | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | Forecast 2015/16 | Forecast 2016/17 | Forecast 2017/18 | Present value |
| Capital expenditure | | | | | | | |
| Vote 1 - MUNICIPAL MANAGER | 4,460 | 4,345 | 4,740 | | | | |
| Vote 2 - CORPORATE SERVICES | - | - | 17,568 | | | | |
| Vote 3 - FINANCIAL SERVICES | - | - | - | | | | |
| Vote 4 - DEVELOPMENT SERVICES | - | 6,621 | 4,076 | | | | |
| Vote 5 - TECHNICAL SERVICES | 73,258 | 41,328 | 31,870 | | | | |
| <i>List entity summary if applicable</i> | | | | | | | |
| Total Capital Expenditure | 77,718 | 52,295 | 58,254 | - | - | - | - |
| Future operational costs by vote | | | | | | | |
| Vote 1 - MUNICIPAL MANAGER | | | | | | | |
| Vote 2 - CORPORATE SERVICES | | | | | | | |
| Vote 3 - FINANCIAL SERVICES | | | | | | | |
| Vote 4 - DEVELOPMENT SERVICES | | | | | | | |
| Vote 5 - TECHNICAL SERVICES | | | | | | | |
| <i>List entity summary if applicable</i> | | | | | | | |
| Total future operational costs | - | - | - | - | - | - | - |
| Future revenue by source | | | | | | | |
| Property rates | | | | | | | |
| Property rates - penalties & collection charges | | | | | | | |
| Service charges - electricity revenue | | | | | | | |
| Service charges - water revenue | | | | | | | |
| Service charges - sanitation revenue | | | | | | | |
| Service charges - refuse revenue | | | | | | | |
| Service charges - other | | | | | | | |
| Rental of facilities and equipment | | | | | | | |
| <i>List other revenues sources if applicable</i> | | | | | | | |
| <i>List entity summary if applicable</i> | | | | | | | |
| Total future revenue | - | - | - | - | - | - | - |
| Net Financial Implications | 77,718 | 52,295 | 58,254 | - | - | - | - |

Table 62 MBRR SA36 - Detailed capital budget per municipal vote

| Municipal Vote / Capital Project / R thousand | Program/Project description | Project number | IDP Goal Code | Individually Approved (Yes/No) | Asset Class | Asset Sub-Class | Total Project Estimate | Prior year outcomes | | 2012/13 Medium Term Revenue & Expenditure Framework | | | Project Info |
|--|--|----------------|---------------|--------------------------------|--------------|--------------------------------------|------------------------|-------------------------|---|---|------------------------|------------------------|--------------|
| | | | | | | | | Audited Outcome 2010/11 | Current Year 2011/12 Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | |
| Parent municipality: <i>List all capital projects grouped by Municipal Vote Municipal Manager</i> | | | | | | | | | | | | | |
| 0002: Municipal Council | Wyk 02: Uitbreiding van Morning Glory Begraafplaas | | C | No | Community | Cemetries | 80 | - | 80 | - | - | - | New |
| 0002: Municipal Council | Wyk 09: Toilette Keidebees | | C | No | Community | Cemetries | 47 | - | 47 | - | - | - | New |
| 0002: Municipal Council | Stoele vir Begrafnisdoeleindes | | C | No | Community | Community halls | 147 | - | 147 | - | - | - | New |
| 0002: Municipal Council | Wyk 05: 20 Tafels Louisvaleweg Gemeenskapsaal | | C | No | Community | Community halls | 8 | - | 8 | - | - | - | New |
| 0002: Municipal Council | Wyk 05: 200 Stoele - Louisvaleweg Gemeenskapsaal | | C | No | Community | Community halls | 14 | - | 14 | - | - | - | New |
| 0002: Municipal Council | Wyk 01: Rekenaartoerusting (PC en Drukker) (Wyk 1) | | C | No | Other Assets | Computers - hardware/equipment | 8 | - | 8 | - | - | - | New |
| 0002: Municipal Council | Wyk 02: Rekenaartoerusting (PC & Drukker)(Wyk 3) | | C | No | Other Assets | Computers - hardware/equipment | 8 | - | 8 | - | - | - | New |
| 0002: Municipal Council | Wyk 03: Rekenaartoerusting (PC & Drukker)(Wyk 3) | | C | No | Other Assets | Computers - hardware/equipment | 8 | - | 8 | - | - | - | New |
| 0002: Municipal Council | Wyk 04: Rekenaartoerusting (PC & Drukker)(Wyk 4) | | C | No | Other Assets | Computers - hardware/equipment | 8 | - | 8 | - | - | - | New |
| 0002: Municipal Council | Wyk 05: Rekenaartoerusting (PC & Drukker)(Wyk 5) | | C | No | Other Assets | Computers - hardware/equipment | 8 | - | 8 | - | - | - | New |
| 0002: Municipal Council | Wyk 07: Rekenaartoerusting (PC & Drukker)(Wyk 7) | | C | No | Other Assets | Computers - hardware/equipment | 8 | - | 8 | - | - | - | New |
| 0002: Municipal Council | Wyk 10: Rekenaartoerusting (PC & Drukker)(Wyk 10) | | C | No | Other Assets | Computers - hardware/equipment | 8 | - | 8 | - | - | - | New |
| 0002: Municipal Council | Wyk 11: Rekenaartoerusting (PC & Drukker)(Wyk 11) | | C | No | Other Assets | Computers - hardware/equipment | 8 | - | 8 | - | - | - | New |
| 0002: Municipal Council | Wyk 13: Rekenaartoerusting (PC & Drukker)(Wyk 13) | | C | No | Other Assets | Computers - hardware/equipment | 8 | - | 8 | - | - | - | New |
| 0002: Municipal Council | Wyk 14: Rekenaartoerusting (PC & Drukker)(Wyk 14) | | C | No | Other Assets | Computers - hardware/equipment | 8 | - | 8 | - | - | - | New |
| 0002: Municipal Council | Upgrading - Louisvalledorp Park | | C | No | Community | Parks & gardens | 100 | - | 100 | - | - | - | New |
| 0002: Municipal Council | Wyk 02: Speelparktoerusting by Morning Glory | | C | No | Community | Parks & gardens | 65 | - | 65 | - | - | - | New |
| 0002: Municipal Council | Wyk 04: Palisade Omheining by Kelmoesweg Park | | C | No | Community | Parks & gardens | 50 | - | 50 | - | - | - | New |
| 0002: Municipal Council | Wyk 05: Omheining en plant van gras - speelpark | | C | No | Community | Parks & gardens | 80 | - | 80 | - | - | - | New |
| 0002: Municipal Council | Wyk 06: Park by New Heaven | | C | No | Community | Parks & gardens | 80 | - | 80 | - | - | - | New |
| 0002: Municipal Council | Wyk 08: Park by Dakotaweg | | C | No | Community | Parks & gardens | 80 | - | 80 | - | - | - | New |
| 0002: Municipal Council | Wyk 09: Park in Keidebees (Luxmanweg) | | C | No | Community | Parks & gardens | 100 | - | 100 | - | - | - | New |
| 0002: Municipal Council | Wyk 11: Speelpark by Kameelmond | | C | No | Community | Parks & gardens | 80 | - | 80 | - | - | - | New |
| 0002: Municipal Council | Wyk 13: Ontwikkeling van park - Erf | | C | No | Community | Parks & gardens | 50 | - | 50 | - | - | - | New |
| 0002: Municipal Council | Chair - High Back Leather Office Chair Speaker | | C | No | Other Assets | Furniture and other office equipment | 4 | - | 4 | - | - | - | New |
| 0002: Municipal Council | Chairs - Mirage Leather Conference (6 Chairs) | | C | No | Other Assets | Furniture and other office equipment | 11 | - | 11 | - | - | - | New |
| 0002: Municipal Council | Chairs - Mirage Leather Visitor (2 Chairs) | | C | No | Other Assets | Furniture and other office equipment | 4 | - | 4 | - | - | - | New |
| 0002: Municipal Council | Desk - Speaker | | C | No | Other Assets | Furniture and other office equipment | 10 | - | 10 | - | - | - | New |
| 0002: Municipal Council | Home Theatre System - Mayor | | C | No | Other Assets | Furniture and other office equipment | 15 | - | 15 | - | - | - | New |
| 0002: Municipal Council | Home Theatre System - Speaker | | C | No | Other Assets | Furniture and other office equipment | 7 | - | 7 | - | - | - | New |
| 0002: Municipal Council | LED TV 32" (Speaker) | | C | No | Other Assets | Furniture and other office equipment | 8 | - | 8 | - | - | - | New |
| 0002: Municipal Council | LED TV 46" (Mayor) | | C | No | Other Assets | Furniture and other office equipment | 8 | - | 8 | - | - | - | New |
| 0002: Municipal Council | Loudspeaker, leer oortreksel v | | C | No | Other Assets | Furniture and other office equipment | 3 | 3 | - | - | - | - | New |
| 0002: Municipal Council | Wyk 02: Airconditioner | | C | No | Other Assets | Furniture and other office equipment | 10 | - | 10 | - | - | - | New |
| 0002: Municipal Council | Wyk 03: Airconditioner | | C | No | Other Assets | Furniture and other office equipment | 10 | - | 10 | - | - | - | New |
| 0002: Municipal Council | Wyk 03: Kantoormeubels & Kantoortoerusting | | C | No | Other Assets | Furniture and other office equipment | 19 | - | 19 | - | - | - | New |
| 0002: Municipal Council | Wyk 05: Airconditioner | | C | No | Other Assets | Furniture and other office equipment | 10 | - | 10 | - | - | - | New |
| 0002: Municipal Council | Wyk 05: Kantoormeubels & Kantoortoerusting | | C | No | Other Assets | Furniture and other office equipment | 19 | - | 19 | - | - | - | New |
| 0002: Municipal Council | Wyk 07: Airconditioner | | C | No | Other Assets | Furniture and other office equipment | 10 | - | 10 | - | - | - | New |

Table 62 MBRR 36: Detailed capital budget per municipal vote (continued)

| | | | | | | | | Prior year outcomes | | 2012/13 Medium Term Revenue & Expenditure Framework | | | Project Info |
|---|--|----------------|---------------|--------------------------------|---------------------------------|--------------------------------------|------------------------|-------------------------|---|---|------------------------|------------------------|--------------|
| | | | | | | | | Audited Outcome 2010/11 | Current Year 2011/12 Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | |
| | | | | | | | | | | | | | |
| Municipal Vote / Capital Project / R thousand | Program/Project description | Project number | IDP Goal Code | Individually Approved (Yes/No) | Asset Class | Asset Sub-Class | Total Project Estimate | | | | | | |
| 0002: Municipal Council | Wyk 10: Airconditioner | | C | No | Other Assets | Furniture and other office equipment | 10 | – | 10 | – | – | – | New |
| 0002: Municipal Council | Wyk 10: Kantoormeubels & Kantoortoerusting | | C | No | Other Assets | Furniture and other office equipment | 19 | – | 19 | – | – | – | New |
| 0002: Municipal Council | Wyk 10: Klanktoerusting | | C | No | Other Assets | Furniture and other office equipment | 25 | – | 25 | – | – | – | New |
| 0002: Municipal Council | Wyk 11: Airconditioner | | C | No | Other Assets | Furniture and other office equipment | 10 | – | 10 | – | – | – | New |
| 0002: Municipal Council | Wyk 01: Nie-Toegekende Wyksprojekte | | C | No | Infrastructure - Other | Other | 600 | – | – | 200 | 200 | 200 | New |
| 0002: Municipal Council | Wyk 02: Nie-Toegekende Wyksprojekte | | C | No | Infrastructure - Other | Other | 600 | – | – | 200 | 200 | 200 | New |
| 0002: Municipal Council | Wyk 03: Nie-Toegekende Wyksprojekte | | C | No | Infrastructure - Other | Other | 600 | – | – | 200 | 200 | 200 | New |
| 0002: Municipal Council | Wyk 04: Nie-Toegekende Wyksprojekte | | C | No | Infrastructure - Other | Other | 600 | – | – | 200 | 200 | 200 | New |
| 0002: Municipal Council | Wyk 05: Nie-Toegekende Wyksprojekte | | C | No | Infrastructure - Other | Other | 600 | – | – | 200 | 200 | 200 | New |
| 0002: Municipal Council | Wyk 06: Nie-Toegekende Wyksprojekte | | C | No | Infrastructure - Other | Other | 600 | – | – | 200 | 200 | 200 | New |
| 0002: Municipal Council | Wyk 07: Nie-Toegekende Wyksprojekte | | C | No | Infrastructure - Other | Other | 600 | – | – | 200 | 200 | 200 | New |
| 0002: Municipal Council | Wyk 08: Nie-Toegekende Wyksprojekte | | C | No | Infrastructure - Other | Other | 600 | – | – | 200 | 200 | 200 | New |
| 0002: Municipal Council | Wyk 09: Nie-Toegekende Wyksprojekte | | C | No | Infrastructure - Other | Other | 600 | – | – | 200 | 200 | 200 | New |
| 0002: Municipal Council | Wyk 10: Nie-Toegekende Wyksprojekte | | C | No | Infrastructure - Other | Other | 600 | – | – | 200 | 200 | 200 | New |
| 0002: Municipal Council | Wyk 11: Nie-Toegekende Wyksprojekte | | C | No | Infrastructure - Other | Other | 600 | – | – | 200 | 200 | 200 | New |
| 0002: Municipal Council | Wyk 12: Nie-Toegekende Wyksprojekte | | C | No | Infrastructure - Other | Other | 600 | – | – | 200 | 200 | 200 | New |
| 0002: Municipal Council | Wyk 13: Nie-Toegekende Wyksprojekte | | C | No | Infrastructure - Other | Other | 600 | – | – | 200 | 200 | 200 | New |
| 0002: Municipal Council | Wyk 14: Nie-Toegekende Wyksprojekte | | C | No | Infrastructure - Other | Other | 600 | – | – | 200 | 200 | 200 | New |
| 0002: Municipal Council | paving, wyk 4: paving of inter | | C | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 13 | 13 | – | – | – | – | New |
| 0002: Municipal Council | Wyk 01: Spoedbrekers by Vuurberg-, Uilsberg-, Heuningberg- en Drakens | | C | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 60 | – | 60 | – | – | – | New |
| 0002: Municipal Council | Wyk 04: Spoedbrekers by Vlasblom-, Varkoor-, Tulp-, Kosmos- en Dafodil | | C | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 60 | – | 60 | – | – | – | New |
| 0002: Municipal Council | Wyk 07: Speed Bumps at Alpha-, Kaizer- and King Street | | C | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 20 | – | 20 | – | – | – | New |
| 0002: Municipal Council | Warm / Cold Cooler for Mayor's Vehicle | | C | No | Other Assets | Other | 1 | – | 1 | – | – | – | New |
| 0002: Municipal Council | Wyk 10: Verbeteringe by Babbelbekkies | | C | No | Other Assets | Other Buildings | 50 | – | 50 | – | – | – | New |
| 0002: Municipal Council | Wyk 14: Omheining van kantoorgebou - Ntsikelelo | | C | No | Other Assets | Other Buildings | 25 | – | 25 | – | – | – | New |
| 0002: Municipal Council | Wyk 12: Grondaankope | | C | No | Other Assets | Other Land | 200 | – | 200 | – | – | – | New |
| 0008: Strategic Operations and Public Relations | chair, secretary chair | | C | No | Other Assets | Computers - hardware/equipment | 1 | 1 | – | – | – | – | New |
| 0008: Strategic Operations and Public Relations | computer screen, lg lcd - 18.5 | | C | No | Other Assets | Computers - hardware/equipment | 1 | 1 | – | – | – | – | New |
| 0008: Strategic Operations and Public Relations | computer, hp500 dc e5700 | | C | No | Other Assets | Computers - hardware/equipment | 4 | 4 | – | – | – | – | New |
| 0008: Strategic Operations and Public Relations | laptop | | C | No | Other Assets | Computers - hardware/equipment | 6 | 6 | – | – | – | – | New |
| 0008: Strategic Operations and Public Relations | laptop, laptop2 - fleet manage | | C | No | Other Assets | Computers - hardware/equipment | 6 | 6 | – | – | – | – | New |
| 0008: Strategic Operations and Public Relations | Mecer 42" Full HD LCD Monitor | | C | No | Other Assets | Computers - hardware/equipment | 5 | – | 5 | – | – | – | New |
| 0008: Strategic Operations and Public Relations | printer, samsung sf650p 4-in-1 | | C | No | Other Assets | Computers - hardware/equipment | 2 | 2 | – | – | – | – | New |
| 0008: Strategic Operations and Public Relations | software | | C | No | Other Assets | Computers - hardware/equipment | 28 | 28 | – | – | – | – | New |
| 0008: Strategic Operations and Public Relations | software | | C | No | Intangibles | Computers - software & programming | 9 | 9 | – | – | – | – | New |
| 0008: Strategic Operations and Public Relations | Airconditioner (Sek Bestuurder Strategiesedienste) | | C | No | Other Assets | Furniture and other office equipment | 7 | – | 7 | – | – | – | New |
| 0008: Strategic Operations and Public Relations | chair, stoel - ateljee | | C | No | Other Assets | Furniture and other office equipment | 0 | 0 | – | – | – | – | New |
| 0008: Strategic Operations and Public Relations | LED TV 32" (Manager: Strategic Operations) | | C | No | Other Assets | Furniture and other office equipment | 8 | – | 8 | – | – | – | New |
| 0011: Municipal Manager | bookcase, bookcase - 5 tier g/ | | C | No | Other Assets | Furniture and other office equipment | 3 | 3 | – | – | – | – | New |
| 0011: Municipal Manager | cabinet, credenza r/d 1150mm | | C | No | Other Assets | Furniture and other office equipment | 2 | 2 | – | – | – | – | New |
| 0011: Municipal Manager | desk, cluster unit (1600mm) lh | | C | No | Other Assets | Furniture and other office equipment | 3 | 3 | – | – | – | – | New |
| 0011: Municipal Manager | desk, cluster unit (1600mm) rh | | C | No | Other Assets | Furniture and other office equipment | 3 | 3 | – | – | – | – | New |
| 0011: Municipal Manager | gps tom tom x1 | | C | No | Other Assets | Furniture and other office equipment | (1) | (1) | – | – | – | – | New |
| 0011: Municipal Manager | LCD FHD 40" TV & Speakers (Municipal Manager) | | C | No | Other Assets | Furniture and other office equipment | 13 | – | 13 | – | – | – | New |
| 0011: Municipal Manager | pedestal, double pedestal desk | | C | No | Other Assets | Furniture and other office equipment | 5 | 5 | – | – | – | – | New |

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

| Municipal Vote / Capital Project / R thousand | Program/Project description | Project number | IDP Goal Code | Individually Approved (Yes/No) | Asset Class | Asset Sub-Class | Total Project Estimate | Prior year outcomes | | 2012/13 Medium Term Revenue & Expenditure Framework | | | Project Info |
|---|--|----------------|---------------|--------------------------------|------------------------|--------------------------------------|------------------------|-------------------------|---|---|------------------------|------------------------|--------------|
| | | | | | | | | Audited Outcome 2010/11 | Current Year 2011/12 Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | |
| 0011: Municipal Manager | pedestal, pedestal 3 draw | | C | No | Other Assets | Furniture and other office equipment | 2 | 2 | - | - | - | - | New |
| 0011: Municipal Manager | projector, steel retic cantile | | C | No | Other Assets | Furniture and other office equipment | 2 | 2 | - | - | - | - | New |
| 0011: Municipal Manager | projector, steel retic leg and | | C | No | Other Assets | Furniture and other office equipment | 1 | 1 | - | - | - | - | New |
| 0011: Municipal Manager | screen, fabric screens 1600x45 | | C | No | Other Assets | Furniture and other office equipment | 2 | 2 | - | - | - | - | New |
| 0011: Municipal Manager | Unallocated Assets (Administration) | | C | No | Other Assets | Other | 4,916 | - | 281 | 1,150 | 1,545 | 1,940 | New |
| 0019: IDP & PMS | cemetery, wyk 11: ontwikkeling | | C | No | Community | Cemetries | 182 | 182 | - | - | - | - | New |
| 0019: IDP & PMS | cemetery, wyk 12: karos begraf | | C | No | Community | Cemetries | 14 | 14 | - | - | - | - | New |
| 0019: IDP & PMS | fenceing, wyk 07: fencing of u | | C | No | Community | Parks & gardens | 52 | 52 | - | - | - | - | New |
| 0019: IDP & PMS | parks, wyk 7: establishment of | | C | No | Community | Parks & gardens | 4 | 4 | - | - | - | - | New |
| 0019: IDP & PMS | tydelike asds | | C | No | Community | Parks & gardens | 33 | 33 | - | - | - | - | New |
| 0019: IDP & PMS | chair plastic stackable, wyk 0 | | C | No | Other Assets | Furniture and other office equipment | 91 | 91 | - | - | - | - | New |
| 0019: IDP & PMS | chair plastic stackable, wyk 1 | | C | No | Other Assets | Furniture and other office equipment | 53 | 53 | - | - | - | - | New |
| 0019: IDP & PMS | Desk 1600x750mm | | C | No | Other Assets | Furniture and other office equipment | 4 | - | 4 | - | - | - | New |
| 0019: IDP & PMS | Filing Cabinet - 4 Drawer | | C | No | Other Assets | Furniture and other office equipment | 5 | - | 5 | - | - | - | New |
| 0019: IDP & PMS | Pedestal F50083 3 Draw Fit | | C | No | Other Assets | Furniture and other office equipment | 2 | - | 2 | - | - | - | New |
| 0019: IDP & PMS | System Cabinet 1800mm | | C | No | Other Assets | Furniture and other office equipment | 6 | - | 6 | - | - | - | New |
| 0019: IDP & PMS | table folding, wyk 01: 20 tafe | | C | No | Other Assets | Furniture and other office equipment | 16 | 16 | - | - | - | - | New |
| 0019: IDP & PMS | table folding, wyk 03: 20 tafe | | C | No | Other Assets | Furniture and other office equipment | 8 | 8 | - | - | - | - | New |
| 0019: IDP & PMS | table folding, wyk 05: 20 tafe | | C | No | Other Assets | Furniture and other office equipment | 8 | 8 | - | - | - | - | New |
| 0019: IDP & PMS | table folding, wyk 07: 20 tafe | | C | No | Other Assets | Furniture and other office equipment | 16 | 16 | - | - | - | - | New |
| 0019: IDP & PMS | table folding, wyk 10: 20 tafe | | C | No | Other Assets | Furniture and other office equipment | 8 | 8 | - | - | - | - | New |
| 0019: IDP & PMS | table folding, wyk 11: 20 tafe | | C | No | Other Assets | Furniture and other office equipment | 16 | 16 | - | - | - | - | New |
| 0019: IDP & PMS | table folding, wyk 12: 20 tafe | | C | No | Other Assets | Furniture and other office equipment | 24 | 24 | - | - | - | - | New |
| 0019: IDP & PMS | Typist Chair | | C | No | Other Assets | Furniture and other office equipment | 2 | - | 2 | - | - | - | New |
| 0019: IDP & PMS | Visitor Chair | | C | No | Other Assets | Furniture and other office equipment | 1 | - | 1 | - | - | - | New |
| 0019: IDP & PMS | buildings (pub facilities), wy | | C | No | Other Assets | Other | 60 | 60 | - | - | - | - | New |
| 0019: IDP & PMS | fenceing, fenceing of karos co | | C | No | Other Assets | Other | 84 | 84 | - | - | - | - | New |
| 0019: IDP & PMS | fenceing, wyk 01: palisade omh | | C | No | Other Assets | Other | 45 | 45 | - | - | - | - | New |
| 0019: IDP & PMS | fenceing, wyk 10: palisade omh | | C | No | Other Assets | Other | 90 | 90 | - | - | - | - | New |
| 0019: IDP & PMS | paving, wyk 01: plaveisel rose | | C | No | Other Assets | Other | 117 | 117 | - | - | - | - | New |
| 0019: IDP & PMS | paving, wyk 10: paving of babb | | C | No | Other Assets | Other | 0 | 0 | - | - | - | - | New |
| 0019: IDP & PMS | buildings (offices), wyk 01: v | | C | No | Other Assets | Other Buildings | 42 | 42 | - | - | - | - | New |
| 0019: IDP & PMS | buildings (offices), wyk 10: u | | C | No | Other Assets | Other Buildings | 145 | 145 | - | - | - | - | New |
| 0019: IDP & PMS | car port, wyk 10: afdak - babb | | C | No | Other Assets | Other Buildings | 16 | 16 | - | - | - | - | New |
| 0019: IDP & PMS | tydelike asds | | C | No | Other Assets | Other Buildings | 189 | 189 | - | - | - | - | New |
| 0019: IDP & PMS | fenceing, wyk 11: fenceing of | | C | No | Community | Sportsfields & stadia | 62 | 62 | - | - | - | - | New |
| 0032: Internal Audit | printer, fax, copier, printer | | C | No | Other Assets | Computers - hardware/equipment | 2 | 2 | - | - | - | - | New |
| 0032: Internal Audit | H/B Leather Chair | | C | No | Other Assets | Furniture and other office equipment | 1 | - | 1 | - | - | - | New |
| 0032: Local Economic Development | LED Skerms - Hoek van Lutz & Le Rouxstraat | | C | No | Other Assets | Furniture and other office equipment | 24 | - | 24 | - | - | - | New |
| 0032: Local Economic Development | Upgrading Long Distance Taxi Rank (Oorrol) | | C | No | Infrastructure - Other | Transportation | 510 | - | - | 510 | - | - | New |
| 0032: Local Economic Development | taxi rank, upgrading long dist | | C | No | Other Assets | Other Buildings | 42 | 42 | - | - | - | - | New |
| 0034: Fleet Management | Airconditioner 18000 BTU York | | C | No | Other Assets | Furniture and other office equipment | 5 | - | 5 | - | - | - | New |
| 0034: Fleet Management | Chair With Arms | | C | No | Other Assets | Furniture and other office equipment | 1 | - | 1 | - | - | - | New |
| 0034: Fleet Management | executive desk | | C | No | Other Assets | Furniture and other office equipment | 8 | - | 8 | - | - | - | New |
| 0034: Fleet Management | High Back Chair | | C | No | Other Assets | Furniture and other office equipment | 4 | - | 4 | - | - | - | New |

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

| Municipal Vote / Capital Project / R thousand | Program/Project description | Project number | IDP Goal Code | Individually Approved (Yes/No) | Asset Class | Asset Sub-Class | Total Project Estimate | Prior year outcomes | | 2012/13 Medium Term Revenue & Expenditure Framework | | | Project Info |
|---|---|----------------|---------------|--------------------------------|-----------------------|--------------------------------------|------------------------|-------------------------|---|---|------------------------|------------------------|--------------|
| | | | | | | | | Audited Outcome 2010/11 | Current Year 2011/12 Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | |
| 0034: Fleet Management | Markerboard (WB) | | C | No | Other Assets | Furniture and other office equipment | 0 | – | 0 | – | – | – | New |
| 0034: Fleet Management | Markerboard Aluminium | | C | No | Other Assets | Furniture and other office equipment | 0 | – | 0 | – | – | – | New |
| 0034: Fleet Management | Office Chair H/B | | C | No | Other Assets | Furniture and other office equipment | 1 | – | 1 | – | – | – | New |
| 0034: Fleet Management | Visitor Chair | | C | No | Other Assets | Furniture and other office equipment | 1 | – | 1 | – | – | – | New |
| 0034: Fleet Management | Glass Door Wall Unit | | C | No | Other Assets | Other Buildings | 4 | – | 4 | – | – | – | New |
| 0034: Fleet Management | Wooden Door Wall Unit | | C | No | Other Assets | Other Buildings | 4 | – | 4 | – | – | – | New |
| 0051: Island Holiday Resort | chair, kroegstoele (oorrol) | | E | No | Other Assets | Furniture and other office equipment | 34 | 34 | – | – | – | – | New |
| 0051: Island Holiday Resort | fridge, 15 x bar-fridges | | E | No | Other Assets | Furniture and other office equipment | 18 | 18 | – | – | – | – | New |
| 0051: Island Holiday Resort | heater, 10 x geysers | | E | No | Other Assets | Furniture and other office equipment | 23 | 23 | – | – | – | – | New |
| 0051: Island Holiday Resort | Fencing - Riverbank (Near Hall) | | E | No | Community | Sportsfields & stadia | 22 | – | 22 | – | – | – | Renewal |
| 0051: Island Holiday Resort | Fencing - Rugbyfield | | E | No | Community | Sportsfields & stadia | 16 | – | 16 | – | – | – | Renewal |
| 0051: Island Holiday Resort | Fencing Rolbalbaan | | E | No | Community | Sportsfields & stadia | 28 | – | 28 | – | – | – | Renewal |
| Corporate Services | | | | | | | | | | | | | |
| 0001: Administration | computer, rekenaar vir registr | | C | No | Other Assets | Computers - hardware/equipment | 11 | 11 | – | – | – | – | New |
| 0001: Administration | laptop, laptop - hp core | | C | No | Other Assets | Computers - hardware/equipment | 6 | 6 | – | – | – | – | New |
| 0001: Administration | network cable, comp networks, | | C | No | Other Assets | Computers - hardware/equipment | 22 | 22 | – | – | – | – | New |
| 0001: Administration | air conditioner, airconditione | | C | No | Other Assets | Furniture and other office equipment | 212 | 212 | – | – | – | – | New |
| 0001: Administration | airconditioners (replacements | | C | No | Other Assets | Furniture and other office equipment | 1 | 1 | – | – | – | – | New |
| 0001: Administration | Franker Masjien | | C | No | Other Assets | Furniture and other office equipment | 15 | – | 15 | – | – | – | Renewal |
| 0001: Administration | ice machine, ice machine | | C | No | Other Assets | Furniture and other office equipment | 2 | 2 | – | – | – | – | New |
| 0001: Administration | Sharp MX-3100 Digital Colour Copier | | C | No | Other Assets | Furniture and other office equipment | 86 | – | 86 | – | – | – | Renewal |
| 0001: Administration | erf, grondaankope (uap)(oorrol | | C | No | Investment Properties | Other | 3,200 | 3,200 | – | – | – | – | New |
| 0001: Administration | Additional Office Buildings (Head Office) | 11.3.3.8 | C | No | Other Assets | Other Buildings | 19,012 | – | 1,444 | – | – | 17,568 | New |
| 0004: Property Administration | air conditioner, air condition | | C | No | Other Assets | Furniture and other office equipment | 11 | 11 | – | – | – | – | New |
| 0004: Property Administration | Aircon 18000 BTU Luxair Split (ND Swartz Gebou) | | C | No | Other Assets | Furniture and other office equipment | 14 | – | 14 | – | – | – | New |
| 0004: Property Administration | buildings (offices), electrifi | | C | No | Other Assets | Other Buildings | 350 | 350 | – | – | – | – | New |
| 0004: Property Administration | buildings (offices), improveme | | C | No | Other Assets | Other Buildings | 522 | 522 | – | – | – | – | New |
| 0004: Property Administration | alarm system, smoke-detector a | | C | No | Other Assets | Security and policing | 150 | 150 | – | – | – | – | New |
| 0009: Human Resources | cabinet, 3 x 4-draw filing cab | | D | No | Other Assets | Furniture and other office equipment | 4 | 4 | – | – | – | – | New |
| 0009: Human Resources | cabinet, file cabinet (3-tier) | | D | No | Other Assets | Furniture and other office equipment | 2 | 2 | – | – | – | – | New |
| 0009: Human Resources | cabinet, file cabinet (4-tier) | | D | No | Other Assets | Furniture and other office equipment | 3 | 3 | – | – | – | – | New |
| 0009: Human Resources | cabinet, pm2080 cabinet solid | | D | No | Other Assets | Furniture and other office equipment | 6 | 6 | – | – | – | – | New |
| 0009: Human Resources | cabinet, pm2080gd cabinet glas | | D | No | Other Assets | Furniture and other office equipment | 4 | 4 | – | – | – | – | New |
| 0009: Human Resources | chair, 2 x chair mirage h/b s/ | | D | No | Other Assets | Furniture and other office equipment | 3 | 3 | – | – | – | – | New |
| 0009: Human Resources | chair, 3 x chair contour lamin | | D | No | Other Assets | Furniture and other office equipment | 6 | 6 | – | – | – | – | New |
| 0009: Human Resources | chair, 3 x chair s4000 syncro | | D | No | Other Assets | Furniture and other office equipment | 3 | 3 | – | – | – | – | New |
| 0009: Human Resources | chair, chair t napoli h/b | | D | No | Other Assets | Furniture and other office equipment | 2 | 2 | – | – | – | – | New |
| 0009: Human Resources | chair, visitor chairs | | D | No | Other Assets | Furniture and other office equipment | 1 | 1 | – | – | – | – | New |
| 0009: Human Resources | desk, cluster unit 1800mm | | D | No | Other Assets | Furniture and other office equipment | 2 | 2 | – | – | – | – | New |
| 0009: Human Resources | desk, credenza f50039 900x600m | | D | No | Other Assets | Furniture and other office equipment | 2 | 2 | – | – | – | – | New |
| 0009: Human Resources | desk, desk | | D | No | Other Assets | Furniture and other office equipment | 1 | 1 | – | – | – | – | New |
| 0009: Human Resources | desk, pedestal f50083 3-draw f | | D | No | Other Assets | Furniture and other office equipment | 1 | 1 | – | – | – | – | New |
| 0033: Information Technology | 3 x Laptops (IDP Department) | | B | No | Other Assets | Computers - hardware/equipment | 16 | – | 16 | – | – | – | New |
| 0033: Information Technology | Acer Veriton - Esterhuizen | | B | No | Other Assets | Computers - hardware/equipment | 3 | – | 3 | – | – | – | New |

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

| | | | | | | | | Prior year outcomes | | 2012/13 Medium Term Revenue & Expenditure Framework | | | Project Info |
|---|---|----------------|---------------|--------------------------------|--------------|--------------------------------------|------------------------|-------------------------|---|---|------------------------|------------------------|--------------|
| | | | | | | | | Audited Outcome 2010/11 | Current Year 2011/12 Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | |
| Municipal Vote / Capital Project / R thousand | Program/Project description | Project number | IDP Goal Code | Individually Approved (Yes/No) | Asset Class | Asset Sub-Class | Total Project Estimate | | | | | | |
| 0033: Information Technology | computer | | B | No | Other Assets | Computers - hardware/equipment | 44 | 44 | - | - | - | - | New |
| 0033: Information Technology | computer screen | | B | No | Other Assets | Computers - hardware/equipment | 7 | 7 | - | - | - | - | New |
| 0033: Information Technology | computer screen, 2 x lg wide m | | B | No | Other Assets | Computers - hardware/equipment | 2 | 2 | - | - | - | - | New |
| 0033: Information Technology | computer screen, asus 18" moni | | B | No | Other Assets | Computers - hardware/equipment | 1 | 1 | - | - | - | - | New |
| 0033: Information Technology | computer, 2 x desktop (cctv mo | | B | No | Other Assets | Computers - hardware/equipment | 8 | 8 | - | - | - | - | New |
| 0033: Information Technology | computer, acer extenza e4700 | | B | No | Other Assets | Computers - hardware/equipment | 4 | 4 | - | - | - | - | New |
| 0033: Information Technology | computer, computers for pre-pa | | B | No | Other Assets | Computers - hardware/equipment | 147 | 147 | - | - | - | - | New |
| 0033: Information Technology | Desktop Computer (Replace UP Slave 08) | | B | No | Other Assets | Computers - hardware/equipment | 3 | - | 3 | - | - | - | Renewal |
| 0033: Information Technology | Desktop Screen (Replace UP Slave 08) | | B | No | Other Assets | Computers - hardware/equipment | 1 | - | 1 | - | - | - | Renewal |
| 0033: Information Technology | Gigabyte Q2005 Atom N550 + Bag | | B | No | Other Assets | Computers - hardware/equipment | 2 | - | 2 | - | - | - | New |
| 0033: Information Technology | laptop | | B | No | Other Assets | Computers - hardware/equipment | 6 | 6 | - | - | - | - | New |
| 0033: Information Technology | Laptop - Chief Accountant: Fin & Assets Management | | B | No | Other Assets | Computers - hardware/equipment | 6 | - | 6 | - | - | - | New |
| 0033: Information Technology | Laptop - Manager Financial Management | | B | No | Other Assets | Computers - hardware/equipment | 6 | - | 6 | - | - | - | New |
| 0033: Information Technology | Laptop - Senior Kontrole Tegnikus | | B | No | Other Assets | Computers - hardware/equipment | 6 | - | 6 | - | - | - | New |
| 0033: Information Technology | Laptop & Bag | | B | No | Other Assets | Computers - hardware/equipment | 6 | - | 6 | - | - | - | New |
| 0033: Information Technology | Laptop & Bag x 3 (2011 Interns) | | B | No | Other Assets | Computers - hardware/equipment | 17 | - | 17 | - | - | - | New |
| 0033: Information Technology | Laptop and Bag (Mayor) | | B | No | Other Assets | Computers - hardware/equipment | 16 | - | 16 | - | - | - | New |
| 0033: Information Technology | laptop, acer tm5742 laptop (kl | | B | No | Other Assets | Computers - hardware/equipment | 6 | 6 | - | - | - | - | New |
| 0033: Information Technology | laptop, acer tm5742 laptop (ko | | B | No | Other Assets | Computers - hardware/equipment | 6 | 6 | - | - | - | - | New |
| 0033: Information Technology | laptop, gigabyte 1000c netbook | | B | No | Other Assets | Computers - hardware/equipment | 3 | 3 | - | - | - | - | New |
| 0033: Information Technology | laptop, laptop acer tm5742 (in | | B | No | Other Assets | Computers - hardware/equipment | 12 | 12 | - | - | - | - | New |
| 0033: Information Technology | laptop, laptop hoof: invorderi | | B | No | Other Assets | Computers - hardware/equipment | 6 | 6 | - | - | - | - | New |
| 0033: Information Technology | LG External DVDRW Slim (Housing) | | B | No | Other Assets | Computers - hardware/equipment | 0 | - | 0 | - | - | - | New |
| 0033: Information Technology | LG External DVDRW Slim (Mayor) | | B | No | Other Assets | Computers - hardware/equipment | 0 | - | 0 | - | - | - | New |
| 0033: Information Technology | Mecer Flatscreen 23" (Ingenieursdienste) | | B | No | Other Assets | Computers - hardware/equipment | 2 | - | 2 | - | - | - | New |
| 0033: Information Technology | Monitor - LG - Esterhuizen | | B | No | Other Assets | Computers - hardware/equipment | 1 | - | 1 | - | - | - | New |
| 0033: Information Technology | Monitor LG (Indigent Unit ND Swartz) | | B | No | Other Assets | Computers - hardware/equipment | 1 | - | 1 | - | - | - | New |
| 0033: Information Technology | POE Switch | | B | No | Other Assets | Computers - hardware/equipment | 6 | - | 6 | - | - | - | New |
| 0033: Information Technology | Rekenaar - Hulpbehoewende Afdeling (ND Swartz) | | B | No | Other Assets | Computers - hardware/equipment | 10 | - | 10 | - | - | - | New |
| 0033: Information Technology | Rekenaar (Indigent Unit ND Swartz) | | B | No | Other Assets | Computers - hardware/equipment | 3 | - | 3 | - | - | - | New |
| 0033: Information Technology | Rekenaar vir Tuinboukundige | | B | No | Other Assets | Computers - hardware/equipment | 3 | - | 3 | - | - | - | New |
| 0033: Information Technology | Rekenaarskerm - Hulpbehoewende Afdeling (ND Swartz) | | B | No | Other Assets | Computers - hardware/equipment | 2 | - | 2 | - | - | - | New |
| 0033: Information Technology | Rekenaarskerm 23" Ingenieursdienste | | B | No | Other Assets | Computers - hardware/equipment | 2 | - | 2 | - | - | - | New |
| 0033: Information Technology | Rekenaarskerm vir Tuinboukundige | | B | No | Other Assets | Computers - hardware/equipment | 1 | - | 1 | - | - | - | New |
| 0033: Information Technology | Microsoft Office 2010 Licenses x 215 | | B | No | Intangibles | Computers - software & programming | 529 | - | 529 | - | - | - | New |
| 0033: Information Technology | software | | B | No | Intangibles | Computers - software & programming | 13 | 13 | - | - | - | - | New |
| 0033: Information Technology | software, caddie 15 argitekttu | | B | No | Intangibles | Computers - software & programming | 8 | 8 | - | - | - | - | New |
| 0033: Information Technology | software, caddie 15 profession | | B | No | Intangibles | Computers - software & programming | 5 | 5 | - | - | - | - | New |
| 0033: Information Technology | software, software for 45 comp | | B | No | Intangibles | Computers - software & programming | 9 | 9 | - | - | - | - | New |
| 0033: Information Technology | 5 x D-Term Telephones (LCU Unit) | | B | No | Other Assets | Furniture and other office equipment | 6 | - | 6 | - | - | - | New |
| 0033: Information Technology | computer cabinet, cabinet 9u s | | B | No | Other Assets | Furniture and other office equipment | 3 | 3 | - | - | - | - | New |
| 0033: Information Technology | Printer - Samsung (Head: Fin & Assets Management) | | B | No | Other Assets | Furniture and other office equipment | 2 | - | 2 | - | - | - | New |
| 0033: Information Technology | Printer - Samsung (Hoof Parke) | | B | No | Other Assets | Furniture and other office equipment | 2 | - | 2 | - | - | - | New |
| 0033: Information Technology | Printer - Samsung (Rekreasie Beample) | | B | No | Other Assets | Furniture and other office equipment | 2 | - | 2 | - | - | - | New |
| 0033: Information Technology | Printer Damsung 4-In-1 (Omgewingsgesondheid) | | B | No | Other Assets | Furniture and other office equipment | 3 | - | 3 | - | - | - | New |

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

| Municipal Vote / Capital Project / R thousand | Program/Project description | Project number | IDP Goal Code | Individually Approved (Yes/No) | Asset Class | Asset Sub-Class | Total Project Estimate | Prior year outcomes | | 2012/13 Medium Term Revenue & Expenditure Framework | | | Project Info |
|---|--|----------------|---------------|--------------------------------|--------------|--------------------------------------|------------------------|-------------------------|---|---|------------------------|------------------------|--------------|
| | | | | | | | | Audited Outcome 2010/11 | Current Year 2011/12 Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | |
| 0033: Information Technology | Printer OKI 5521 (Invorderings) | | B | No | Other Assets | Furniture and other office equipment | 4 | – | 4 | – | – | – | New |
| 0033: Information Technology | Printer Samsung (4-In-1)(Mayor's Office) | | B | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0033: Information Technology | Printer Samsung (4-In-1)(Municipal Manager) | | B | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0033: Information Technology | Printer Samsung (4-In-1)(Tegniese Dienste Administrasie) | | B | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | Renewal |
| 0033: Information Technology | Printer Samsung 4-In-1 (Direkteur Ontwikkelingsdienste) | | B | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0033: Information Technology | Printer Samsung 4-In-1 (ND Swartz - Indigent) | | B | No | Other Assets | Furniture and other office equipment | 3 | – | 3 | – | – | – | New |
| 0033: Information Technology | Printer Samsung CLP325N | | B | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0033: Information Technology | Printer vir Tuinboukundige | | B | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0033: Information Technology | printer, 4-in-1 printer for de | | B | No | Other Assets | Furniture and other office equipment | 2 | 2 | – | – | – | – | New |
| 0033: Information Technology | printer, dot matrix printers r | | B | No | Other Assets | Furniture and other office equipment | 16 | 16 | – | – | – | – | New |
| 0033: Information Technology | Samsung 4-In-1 Printer (GOP) | | B | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0033: Information Technology | draadloos netwerk toerusting, | | B | No | Other Assets | Plant & equipment | 77 | 77 | – | – | – | – | New |
| 0038: Director Corporate Services | Airconditioner (Direkteur Korporatiewe Dienste) | | C | No | Other Assets | Furniture and other office equipment | 13 | – | 13 | – | – | – | Renewal |
| 0038: Director Corporate Services | Airconditioner (Sek DKD) | | C | No | Other Assets | Furniture and other office equipment | 6 | – | 6 | – | – | – | Renewal |
| 0038: Director Corporate Services | LED TV 32" Director Corporate Services | | C | No | Other Assets | Furniture and other office equipment | 8 | – | 8 | – | – | – | New |
| 0038: Director Corporate Services | Scanner HP Scanjet N6310 | | C | No | Other Assets | Furniture and other office equipment | 4 | – | 4 | – | – | – | New |
| 0039: Legal Services | Scanner HP Scanjet N6310 | | C | No | Other Assets | Furniture and other office equipment | 4 | – | 4 | – | – | – | New |
| Financial Services | | | | | | | | | | | | | |
| 0007: Financial Servies | waterverkope handheld eenheid, | | A | No | Other Assets | Computers - hardware/equipment | 56 | 56 | – | – | – | – | New |
| 0007: Financial Servies | software, cashflow (pre-paid w | | A | No | Intangibles | Computers - software & programming | 4 | 4 | – | – | – | – | New |
| 0007: Financial Servies | 1 x Chair C3 With Arms (Kamer 029) | | A | No | Other Assets | Furniture and other office equipment | 1 | – | 1 | – | – | – | New |
| 0007: Financial Servies | 1 x Chair C3 With Arms (Kamer 030) | | A | No | Other Assets | Furniture and other office equipment | 1 | – | 1 | – | – | – | New |
| 0007: Financial Servies | 1 x Chair C3 With Arms (Kamer 031) | | A | No | Other Assets | Furniture and other office equipment | 1 | – | 1 | – | – | – | New |
| 0007: Financial Servies | 1 x Chair Mirage Highback Leather (Kamer 037) | | A | No | Other Assets | Furniture and other office equipment | 3 | – | 3 | – | – | – | New |
| 0007: Financial Servies | 1 x Chair PC6 Paula Highback (Kamer 029) | | A | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0007: Financial Servies | 1 x Chair PC6 Paula Highback (Kamer 030) | | A | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0007: Financial Servies | 1 x Chair PC6 Paula Highback (Kamer 031) | | A | No | Other Assets | Furniture and other office equipment | 1 | – | 1 | – | – | – | New |
| 0007: Financial Servies | 1 x FEV Bookcase F50082 (5 Tier)(Kamer 037) | | A | No | Other Assets | Furniture and other office equipment | 3 | – | 3 | – | – | – | New |
| 0007: Financial Servies | 1 x FEV Cluster Unit F50603 (1600mm)(Kamer 031) | | A | No | Other Assets | Furniture and other office equipment | 4 | – | 4 | – | – | – | New |
| 0007: Financial Servies | 1 x FEV Cluster Unit F50616 (1800mm)(Kamer 037) | | A | No | Other Assets | Furniture and other office equipment | 3 | – | 3 | – | – | – | New |
| 0007: Financial Servies | 1 x FEV Desk F50016 (1800x750)(Kamer 029) | | A | No | Other Assets | Furniture and other office equipment | 3 | – | 3 | – | – | – | New |
| 0007: Financial Servies | 1 x FEV Desk F50016 (1800x750)(Kamer 030) | | A | No | Other Assets | Furniture and other office equipment | 3 | – | 3 | – | – | – | New |
| 0007: Financial Servies | 1 x FEV Desk F50020 (900x6000)(Kamer 029) | | A | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0007: Financial Servies | 1 x FEV Desk F50020 (900x6000)(Kamer 030) | | A | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0007: Financial Servies | 1 x FEV Desk F50020 (900x6000)(Kamer 031) | | A | No | Other Assets | Furniture and other office equipment | 1 | – | 1 | – | – | – | New |
| 0007: Financial Servies | 1 x FEV Desk F50020 (900x6000)(Kamer 037) | | A | No | Other Assets | Furniture and other office equipment | 1 | – | 1 | – | – | – | New |
| 0007: Financial Servies | 1 x FEV Desk F50024 (1200x6000)(Kamer 029) | | A | No | Other Assets | Furniture and other office equipment | 1 | – | 1 | – | – | – | New |
| 0007: Financial Servies | 1 x FEV Desk F50024 (1200x6000)(Kamer 030) | | A | No | Other Assets | Furniture and other office equipment | 1 | – | 1 | – | – | – | New |
| 0007: Financial Servies | 1 x FEV Desk F50024 (1200x6000)(Kamer 031) | | A | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0007: Financial Servies | 1 x FEV Desk F50024 (1200x6000)(Kamer 037) | | A | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0007: Financial Servies | 1 x FEV F50652 Mobile Pedstal (3 Draw)(Kamer 037) | | A | No | Other Assets | Furniture and other office equipment | 3 | – | 3 | – | – | – | New |
| 0007: Financial Servies | 1 x FEV Pedestal F50052 (3 Draw)(Kamer 029) | | A | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0007: Financial Servies | 1 x FEV Pedestal F50052 (3 Draw)(Kamer 030) | | A | No | Other Assets | Furniture and other office equipment | 3 | – | 3 | – | – | – | New |
| 0007: Financial Servies | 1 x FEV Pedestal F50052 (3 Draw)(Kamer 031) | | A | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

| Municipal Vote / Capital Project / R thousand | Program/Project description | Project number | IDP Goal Code | Individually Approved (Yes/No) | Asset Class | Asset Sub-Class | Total Project Estimate | Prior year outcomes | | 2012/13 Medium Term Revenue & Expenditure Framework | | | Project Info |
|---|---|----------------|---------------|--------------------------------|--------------|--------------------------------------|------------------------|-------------------------|---|---|------------------------|------------------------|--------------|
| | | | | | | | | Audited Outcome 2010/11 | Current Year 2011/12 Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | |
| 0007: Financial Servies | 4 Drawer Pedestal (Office 093) | | A | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0007: Financial Servies | air conditioner, airconditione | | A | No | Other Assets | Furniture and other office equipment | 8 | 8 | – | – | – | – | New |
| 0007: Financial Servies | air conditioner, lugversorger | | A | No | Other Assets | Furniture and other office equipment | 5 | 5 | – | – | – | – | New |
| 0007: Financial Servies | Airconditioner (Supply Chain) | | A | No | Other Assets | Furniture and other office equipment | 6 | – | 6 | – | – | – | New |
| 0007: Financial Servies | Bookcase 5 Tier (Office 093) | | A | No | Other Assets | Furniture and other office equipment | 3 | – | 3 | – | – | – | New |
| 0007: Financial Servies | cabinet | | A | No | Other Assets | Furniture and other office equipment | 3 | 3 | – | – | – | – | New |
| 0007: Financial Servies | cable length meter, cable leng | | A | No | Other Assets | Furniture and other office equipment | 4 | 4 | – | – | – | – | New |
| 0007: Financial Servies | camera, digital camera | | A | No | Other Assets | Furniture and other office equipment | 1 | 1 | – | – | – | – | New |
| 0007: Financial Servies | Chair Paula Highback (Office 093) | | A | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0007: Financial Servies | Chair With Arms (Office 093) | | A | No | Other Assets | Furniture and other office equipment | 1 | – | 1 | – | – | – | New |
| 0007: Financial Servies | chair, kassierstoele (oorrol) | | A | No | Other Assets | Furniture and other office equipment | 7 | 7 | – | – | – | – | New |
| 0007: Financial Servies | chair, paula highback chair (a | | A | No | Other Assets | Furniture and other office equipment | 1 | 1 | – | – | – | – | New |
| 0007: Financial Servies | chair, paula highback chair (d | | A | No | Other Assets | Furniture and other office equipment | 2 | 2 | – | – | – | – | New |
| 0007: Financial Servies | chair, paula highback chair (f | | A | No | Other Assets | Furniture and other office equipment | 1 | 1 | – | – | – | – | New |
| 0007: Financial Servies | Cluster Unit (Office 093) | | A | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0007: Financial Servies | desk | | A | No | Other Assets | Furniture and other office equipment | 1 | 1 | – | – | – | – | New |
| 0007: Financial Servies | Desk Cluster Unit F50616 (Indigent Section) | | A | No | Other Assets | Furniture and other office equipment | 10 | – | 10 | – | – | – | New |
| 0007: Financial Servies | desk, desk (asst asset managem | | A | No | Other Assets | Furniture and other office equipment | 2 | 2 | – | – | – | – | New |
| 0007: Financial Servies | desk, desk (asst finance manag | | A | No | Other Assets | Furniture and other office equipment | 2 | 2 | – | – | – | – | New |
| 0007: Financial Servies | desk, f50603 cluster unit 1600 | | A | No | Other Assets | Furniture and other office equipment | 5 | 5 | – | – | – | – | New |
| 0007: Financial Servies | desk, f50683 4 draw pedestal (| | A | No | Other Assets | Furniture and other office equipment | 5 | 5 | – | – | – | – | New |
| 0007: Financial Servies | filing cabinet (debt collecti | | A | No | Other Assets | Furniture and other office equipment | 1 | 1 | – | – | – | – | New |
| 0007: Financial Servies | High Back Chair (Indigents Section) | | A | No | Other Assets | Furniture and other office equipment | 4 | – | 4 | – | – | – | New |
| 0007: Financial Servies | High Back Office Chair (Office 028) | | A | No | Other Assets | Furniture and other office equipment | 1 | – | 1 | – | – | – | New |
| 0007: Financial Servies | Pedestal F50083 3 Draw Fit (Indigent Section) | | A | No | Other Assets | Furniture and other office equipment | 3 | – | 3 | – | – | – | New |
| 0007: Financial Servies | pedestal, pedestal (asst asset | | A | No | Other Assets | Furniture and other office equipment | 2 | 2 | – | – | – | – | New |
| 0007: Financial Servies | pedestal, pedestal (asst finan | | A | No | Other Assets | Furniture and other office equipment | 2 | 2 | – | – | – | – | New |
| 0007: Financial Servies | Printer Samsung (4-In-1) | | A | No | Other Assets | Furniture and other office equipment | 1 | – | 1 | – | – | – | New |
| 0007: Financial Servies | punching machine, punch uno he | | A | No | Other Assets | Furniture and other office equipment | 0 | 0 | – | – | – | – | New |
| 0007: Financial Servies | scanner | | A | No | Other Assets | Furniture and other office equipment | 29 | 29 | – | – | – | – | New |
| 0007: Financial Servies | Visitor Chair (Indigent Section) | | A | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0007: Financial Servies | Visitors Chair (Office 028) | | A | No | Other Assets | Furniture and other office equipment | 1 | – | 1 | – | – | – | New |
| 0007: Financial Servies | Ladder (Gravity Wonder) | | A | No | Other Assets | Plant & equipment | 1 | – | 1 | – | – | – | New |
| 0007: Financial Servies | ladder, ladder aluminium 1.8m | | A | No | Other Assets | Plant & equipment | 1 | 1 | – | – | – | – | New |
| 0007: Financial Servies | trolley, trolley | | A | No | Other Assets | Plant & equipment | 1 | 1 | – | – | – | – | New |
| Development Services | | | | | | | | | | | | | |
| 0020: Traffic Services | 4 x 19" LCD Monitor | | B | No | Other Assets | Computers - hardware/equipment | 13 | – | 13 | – | – | – | New |
| 0020: Traffic Services | 4 x E-Natis Workstations (2GB) | | B | No | Other Assets | Computers - hardware/equipment | 41 | – | 41 | – | – | – | New |
| 0020: Traffic Services | 2 x E-Natis Document Printer | | B | No | Other Assets | Furniture and other office equipment | 39 | – | 39 | – | – | – | New |
| 0020: Traffic Services | 2 x E-Natis Query Printer | | B | No | Other Assets | Furniture and other office equipment | 15 | – | 15 | – | – | – | New |
| 0020: Traffic Services | air conditioner, airconditione | | B | No | Other Assets | Furniture and other office equipment | 33 | 33 | – | – | – | – | New |
| 0020: Traffic Services | cabinet, 4-draw file cabinet | | B | No | Other Assets | Furniture and other office equipment | 7 | 7 | – | – | – | – | New |
| 0020: Traffic Services | chair | | B | No | Other Assets | Furniture and other office equipment | 1 | 1 | – | – | – | – | New |
| 0020: Traffic Services | chair, chair c3 with arms | | B | No | Other Assets | Furniture and other office equipment | 4 | 4 | – | – | – | – | New |

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

| | | | | | | | | Prior year outcomes | | 2012/13 Medium Term Revenue & Expenditure Framework | | | Project Info | |
|---|-----------------------------------|----------------|---------------|--------------------------------|--------------|--------------------------------------|------------------------|-------------------------|---|---|------------------------|------------------------|--------------|----------------|
| | | | | | | | | Audited Outcome 2010/11 | Current Year 2011/12 Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | | New or renewal |
| Municipal Vote / Capital Project / R thousand | Program/Project description | Project number | IDP Goal Code | Individually Approved (Yes/No) | Asset Class | Asset Sub-Class | Total Project Estimate | | | | | | | |
| 0020: Traffic Services | chair, chair paula highback | 11.4.2.21 | B | No | Other Assets | Furniture and other office equipment | 4 | 4 | - | - | - | - | New | |
| 0020: Traffic Services | chair, kassierstoele (oorrol) | | B | No | Other Assets | Furniture and other office equipment | 2 | 2 | - | - | - | - | New | |
| 0020: Traffic Services | printer, hp laserjet m2727 | | B | No | Other Assets | Furniture and other office equipment | 5 | 5 | - | - | - | - | New | |
| 0020: Traffic Services | tools workshop, angle grinder | | B | No | Other Assets | Furniture and other office equipment | 0 | 0 | - | - | - | - | New | |
| 0020: Traffic Services | tools workshop, cut-off saw 35 | | B | No | Other Assets | Furniture and other office equipment | 2 | 2 | - | - | - | - | New | |
| 0020: Traffic Services | tools workshop, drill 13mm 650 | | B | No | Other Assets | Furniture and other office equipment | 0 | 0 | - | - | - | - | New | |
| 0020: Traffic Services | tools workshop, hammer claw 50 | | B | No | Other Assets | Furniture and other office equipment | 0 | 0 | - | - | - | - | New | |
| 0020: Traffic Services | tools workshop, hammer sledge | | B | No | Other Assets | Furniture and other office equipment | 0 | 0 | - | - | - | - | New | |
| 0020: Traffic Services | tools workshop, ladder alumini | | B | No | Other Assets | Furniture and other office equipment | 1 | 1 | - | - | - | - | New | |
| 0020: Traffic Services | tools workshop, level 600mm | | B | No | Other Assets | Furniture and other office equipment | 0 | 0 | - | - | - | - | New | |
| 0020: Traffic Services | tools workshop, plier 250mm | | B | No | Other Assets | Furniture and other office equipment | 0 | 0 | - | - | - | - | New | |
| 0020: Traffic Services | tools workshop, raco steel squ | | B | No | Other Assets | Furniture and other office equipment | 0 | 0 | - | - | - | - | New | |
| 0020: Traffic Services | tools workshop, wheelbarrow co | | B | No | Other Assets | Furniture and other office equipment | 0 | 0 | - | - | - | - | New | |
| 0020: Traffic Services | buildings (offices), lcu's off | | B | No | Other Assets | Other Buildings | 304 | 304 | - | - | - | - | New | |
| 0020: Traffic Services | Brake Testing Machine | | B | No | Other Assets | Plant & equipment | 248 | - | 248 | - | - | - | - | New |
| 0020: Traffic Services | welding machine | | B | No | Other Assets | Plant & equipment | 1 | 1 | - | - | - | - | - | New |
| 0021: Fire Brigade Services | fire hose, fire hoses replacem | | B | No | Other Assets | Emergency Equipment | 24 | 24 | - | - | - | - | - | New |
| 0021: Fire Brigade Services | chair, conference table, chair | | B | No | Other Assets | Furniture and other office equipment | 11 | 11 | - | - | - | - | - | New |
| 0021: Fire Brigade Services | chair, office chairs, visitor | | B | No | Other Assets | Furniture and other office equipment | 9 | 9 | - | - | - | - | - | New |
| 0021: Fire Brigade Services | Digital Camera, Bag & Memory Card | | B | No | Other Assets | Furniture and other office equipment | 1 | - | 1 | - | - | - | - | New |
| 0021: Fire Brigade Services | water tanker | | B | No | Other Assets | General vehicles | 703 | 703 | - | - | - | - | - | New |
| 0021: Fire Brigade Services | 2 Rigting Radios | | B | No | Other Assets | Plant & equipment | 5 | - | 5 | - | - | - | - | New |
| 0021: Fire Brigade Services | Asemhaling Silinders | | B | No | Other Assets | Plant & equipment | 7 | - | 7 | - | - | - | - | New |
| 0021: Fire Brigade Services | Gas Verwarmers | | B | No | Other Assets | Plant & equipment | 4 | - | 4 | - | - | - | - | New |
| 0021: Fire Brigade Services | pump, floatable portable pump | | B | No | Other Assets | Plant & equipment | 19 | 19 | - | - | - | - | - | New |
| 0021: Fire Brigade Services | pump, water pump machine (oor | | B | No | Other Assets | Plant & equipment | 109 | 109 | - | - | - | - | - | New |
| 0021: Fire Brigade Services | radio | | B | No | Other Assets | Plant & equipment | 4 | 4 | - | - | - | - | - | New |
| 0021: Fire Brigade Services | radio, kenwood mobile radio & | | B | No | Other Assets | Plant & equipment | 3 | 3 | - | - | - | - | - | New |
| 0021: Fire Brigade Services | system, pa system & mic ofr he | | B | No | Other Assets | Plant & equipment | 2 | 2 | - | - | - | - | - | New |
| 0021: Fire Brigade Services | water tanker, watertenker met | | B | No | Other Assets | Plant & equipment | 1,024 | 1,024 | - | - | - | - | - | New |
| 0024: Security Services | computer screen | | B | No | Other Assets | Computers - hardware/equipment | 1 | 1 | - | - | - | - | - | New |
| 0024: Security Services | computer, computer | | B | No | Other Assets | Computers - hardware/equipment | 3 | 3 | - | - | - | - | - | New |
| 0024: Security Services | laptop, laptop (hoof-sekuritei | | B | No | Other Assets | Computers - hardware/equipment | 6 | 6 | - | - | - | - | - | New |
| 0024: Security Services | 4 Drawer (No Top) | | B | No | Other Assets | Furniture and other office equipment | 2 | - | 2 | - | - | - | - | New |
| 0024: Security Services | 600x450 D/HP Top | | B | No | Other Assets | Furniture and other office equipment | 0 | - | 0 | - | - | - | - | New |
| 0024: Security Services | Bookcase Glass Door | | B | No | Other Assets | Furniture and other office equipment | 3 | - | 3 | - | - | - | - | New |
| 0024: Security Services | Bookcase Hinged Door | | B | No | Other Assets | Furniture and other office equipment | 4 | - | 4 | - | - | - | - | New |
| 0024: Security Services | C2 Economic Side Chair (2 Chairs) | | B | No | Other Assets | Furniture and other office equipment | 1 | - | 1 | - | - | - | - | New |
| 0024: Security Services | C3 Economic side Chair (2 Chairs) | | B | No | Other Assets | Furniture and other office equipment | 1 | - | 1 | - | - | - | - | New |
| 0024: Security Services | Cabinet 2 Door Steel | | B | No | Other Assets | Furniture and other office equipment | 2 | - | 2 | - | - | - | - | New |
| 0024: Security Services | cabinet, double glass doors | | B | No | Other Assets | Furniture and other office equipment | 4 | 4 | - | - | - | - | - | New |
| 0024: Security Services | chair | | B | No | Other Assets | Furniture and other office equipment | 3 | 3 | - | - | - | - | - | New |
| 0024: Security Services | Chair Mats Bronze | | B | No | Other Assets | Furniture and other office equipment | 3 | - | 3 | - | - | - | - | New |
| 0024: Security Services | Chairs With Arms | | B | No | Other Assets | Furniture and other office equipment | 2 | - | 2 | - | - | - | - | New |
| 0024: Security Services | Cluster Unit | | B | No | Other Assets | Furniture and other office equipment | 2 | - | 2 | - | - | - | - | New |

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

| Municipal Vote / Capital Project / R thousand | Program/Project description | Project number | IDP Goal Code | Individually Approved (Yes/No) | Asset Class | Asset Sub-Class | Total Project Estimate | Prior year outcomes | | 2012/13 Medium Term Revenue & Expenditure Framework | | | Project Info |
|---|--|----------------|---------------|--------------------------------|------------------------|--------------------------------------|------------------------|-------------------------|---|---|------------------------|------------------------|--------------|
| | | | | | | | | Audited Outcome 2010/11 | Current Year 2011/12 Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | |
| 0024: Security Services | Cluster Unit 1800x1200 | | B | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0024: Security Services | desk | | B | No | Other Assets | Furniture and other office equipment | 10 | 10 | – | – | – | – | New |
| 0024: Security Services | Filing Cabinet - 4 Drawer | | B | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0024: Security Services | H/B Chair Standard | | B | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0024: Security Services | Head Chair (4 Chairs) | | B | No | Other Assets | Furniture and other office equipment | 3 | – | 3 | – | – | – | New |
| 0024: Security Services | Locker 2 Tier | | B | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0024: Security Services | Pedestal 4 Drawer | | B | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0024: Security Services | Pedestal Top | | B | No | Other Assets | Furniture and other office equipment | 0 | – | 0 | – | – | – | New |
| 0024: Security Services | Posture High Back Chair (2 Chairs) | | B | No | Other Assets | Furniture and other office equipment | 5 | – | 5 | – | – | – | New |
| 0024: Security Services | printer | | B | No | Other Assets | Furniture and other office equipment | 2 | 2 | – | – | – | – | New |
| 0024: Security Services | radio, 12 x handheld radio's | | B | No | Other Assets | Furniture and other office equipment | 24 | 24 | – | – | – | – | New |
| 0024: Security Services | Reception Unit | | B | No | Other Assets | Furniture and other office equipment | 9 | – | 9 | – | – | – | New |
| 0024: Security Services | Steel Cabinet (4 Draws) | | B | No | Other Assets | Furniture and other office equipment | 2 | – | 2 | – | – | – | New |
| 0024: Security Services | Steel Cabinet Cupboard | | B | No | Other Assets | Furniture and other office equipment | 1 | – | 1 | – | – | – | New |
| 0024: Security Services | fenceing, fencing / entrance c | | B | No | Other Assets | Other | 13 | 13 | – | – | – | – | New |
| 0024: Security Services | lane dividers, tension barrier | | B | No | Other Assets | Plant & equipment | 7 | 7 | – | – | – | – | New |
| 0024: Security Services | scanner, security held hand sc | | B | No | Other Assets | Plant & equipment | 4 | 4 | – | – | – | – | New |
| 0025: Environmental Health Services | Herstel muur wat besig is om te val Civic | | B | No | Other Assets | Other Buildings | 25 | – | 25 | – | – | – | Renewal |
| 0025: Environmental Health Services | air conditioner, airconditione | | B | No | Other Assets | Furniture and other office equipment | 44 | 44 | – | – | – | – | New |
| 0027: Refuse Removal Services | Boorgate vir water toetsing Storting Terrein | | B | No | Infrastructure - Other | Waste Management | 150 | – | 150 | – | – | – | New |
| 0027: Refuse Removal Services | Duine Sanitary Landfill Site (1159) | | B | No | Infrastructure - Other | Waste Management | 2,457 | – | – | – | 2,457 | – | New |
| 0027: Refuse Removal Services | Extention And Fencing (Duine Dumping Site) | | B | No | Infrastructure - Other | Waste Management | 416 | – | 416 | – | – | – | New |
| 0027: Refuse Removal Services | radio, 1 x basis radio (ontvan | | B | No | Other Assets | Plant & equipment | 0 | 0 | – | – | – | – | New |
| 0027: Refuse Removal Services | radio, 1 x motorola handradio | | B | No | Other Assets | Plant & equipment | 2 | 2 | – | – | – | – | New |
| 0027: Refuse Removal Services | radio, 5 x voertuig-radio (tra | | B | No | Other Assets | Plant & equipment | 15 | 15 | – | – | – | – | New |
| 0027: Refuse Removal Services | radio, 9 x motorola handradio' | | B | No | Other Assets | Plant & equipment | 16 | 16 | – | – | – | – | New |
| 0027: Refuse Removal Services | radio, voertuig-radio (tracer | | B | No | Other Assets | Plant & equipment | 3 | 3 | – | – | – | – | New |
| 0028: Vacuum Tank Services | Duine Sanitary Landfill Site (1159) | | B | No | Infrastructure - Other | Waste Management | 400 | – | – | – | 400 | – | New |
| 0029: Primary Health Care Services | computer, computer vir nuwe po | | B | No | Other Assets | Computers - hardware/equipment | 9 | 9 | – | – | – | – | New |
| 0029: Primary Health Care Services | computer, rekenaar vir nuwe po | | B | No | Other Assets | Computers - hardware/equipment | 5 | 5 | – | – | – | – | New |
| 0029: Primary Health Care Services | chair, c2 side no arms chairs | | B | No | Other Assets | Furniture and other office equipment | 1 | 1 | – | – | – | – | New |
| 0029: Primary Health Care Services | chair, pc6 paula highback chai | | B | No | Other Assets | Furniture and other office equipment | 4 | 4 | – | – | – | – | New |
| 0029: Primary Health Care Services | desk, pine office desks | | B | No | Other Assets | Furniture and other office equipment | 8 | 8 | – | – | – | – | New |
| 0029: Primary Health Care Services | fridge, defy d240 240l metalli | | B | No | Other Assets | Furniture and other office equipment | 3 | 3 | – | – | – | – | New |
| 0029: Primary Health Care Services | printer, laser colour printer | | B | No | Other Assets | Furniture and other office equipment | 7 | 7 | – | – | – | – | New |
| 0029: Primary Health Care Services | printer, laser printers | | B | No | Other Assets | Furniture and other office equipment | 3 | 3 | – | – | – | – | New |
| 0036: Director Development Services | cabinet, cabinet 2glass&1solid | | C | No | Other Assets | Furniture and other office equipment | 6 | 6 | – | – | – | – | New |
| 0036: Director Development Services | cabinet, fev cabinet 4-drawer | | C | No | Other Assets | Furniture and other office equipment | 3 | 3 | – | – | – | – | New |
| 0036: Director Development Services | cabinet, systems cabinet | | C | No | Other Assets | Furniture and other office equipment | 2 | 2 | – | – | – | – | New |
| 0036: Director Development Services | cabinet, two glass door wall u | | C | No | Other Assets | Furniture and other office equipment | 5 | 5 | – | – | – | – | New |
| 0036: Director Development Services | chair, chair - h/b leather | | C | No | Other Assets | Furniture and other office equipment | 3 | 3 | – | – | – | – | New |
| 0036: Director Development Services | chair, chair - mustang h/b lea | | C | No | Other Assets | Furniture and other office equipment | 1 | 1 | – | – | – | – | New |
| 0036: Director Development Services | chair, chair - mustang visitor | | C | No | Other Assets | Furniture and other office equipment | 2 | 2 | – | – | – | – | New |
| 0036: Director Development Services | chair, chair - visitor leather | | C | No | Other Assets | Furniture and other office equipment | 4 | 4 | – | – | – | – | New |
| 0036: Director Development Services | curtain, gordyne - dir ontw | | C | No | Other Assets | Furniture and other office equipment | 9 | 9 | – | – | – | – | New |

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

| | | | | | | | | Prior year outcomes | | 2012/13 Medium Term Revenue & Expenditure Framework | | | Project Info | |
|---|---|----------------|---------------|--------------------------------|-----------------------------|--------------------------------------|------------------------|-------------------------|---|---|------------------------|------------------------|--------------|----------------|
| | | | | | | | | Audited Outcome 2010/11 | Current Year 2011/12 Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | | New or renewal |
| | | | | | | | | | | | | | | |
| Municipal Vote / Capital Project / R thousand | Program/Project description | Project number | IDP Goal Code | Individually Approved (Yes/No) | Asset Class | Asset Sub-Class | Total Project Estimate | | | | | | | |
| 0036: Director Development Services | curtain, gordyne - sek van dir | | C | No | Other Assets | Furniture and other office equipment | 3 | 3 | - | - | - | - | New | |
| 0036: Director Development Services | desk, cluster unit | | C | No | Other Assets | Furniture and other office equipment | 2 | 2 | - | - | - | - | New | |
| 0036: Director Development Services | desk, conference table | | C | No | Other Assets | Furniture and other office equipment | 5 | 5 | - | - | - | - | New | |
| 0036: Director Development Services | desk, fev top for pedestal | | C | No | Other Assets | Furniture and other office equipment | 0 | 0 | - | - | - | - | New | |
| 0036: Director Development Services | desk, pacific exec desk | | C | No | Other Assets | Furniture and other office equipment | 9 | 9 | - | - | - | - | New | |
| 0036: Director Development Services | desk, pedestal 2draw 1d/f | | C | No | Other Assets | Furniture and other office equipment | 2 | 2 | - | - | - | - | New | |
| 0036: Director Development Services | fridge, atlas 130l | | C | No | Other Assets | Furniture and other office equipment | 1 | 1 | - | - | - | - | New | |
| 0036: Director Development Services | LED TV 32" Director Development Services | | C | No | Other Assets | Furniture and other office equipment | 8 | - | 8 | - | - | - | New | |
| 0050: Parks | computer, rekenaar | | B | No | Other Assets | Computers - hardware/equipment | 5 | 5 | - | - | - | - | New | |
| 0050: Parks | tydelike asds | | B | No | Other Assets | Parks & gardens | 16 | 16 | - | - | - | - | New | |
| 0050: Parks | 2 Drawer Deep Filler | | B | No | Other Assets | Furniture and other office equipment | 2 | - | 2 | - | - | - | New | |
| 0050: Parks | cabinet wood, 2 deur kabinet | | B | No | Other Assets | Furniture and other office equipment | 3 | 3 | - | - | - | - | New | |
| 0050: Parks | Caddie Budget V17 (Software) | | B | No | Other Assets | Furniture and other office equipment | 8 | - | 8 | - | - | - | New | |
| 0050: Parks | camera, digital camera | | B | No | Other Assets | Furniture and other office equipment | 2 | 2 | - | - | - | - | New | |
| 0050: Parks | chair, besoekers stoele | | B | No | Other Assets | Furniture and other office equipment | 1 | 1 | - | - | - | - | New | |
| 0050: Parks | chair, kantoor stoel | | B | No | Other Assets | Furniture and other office equipment | 1 | 1 | - | - | - | - | New | |
| 0050: Parks | Desk & Cant Leg | | B | No | Other Assets | Furniture and other office equipment | 4 | - | 4 | - | - | - | New | |
| 0050: Parks | Door Credenza | | B | No | Other Assets | Furniture and other office equipment | 3 | - | 3 | - | - | - | New | |
| 0050: Parks | MIB Back Chair | | B | No | Other Assets | Furniture and other office equipment | 1 | - | 1 | - | - | - | New | |
| 0050: Parks | printer, printer (4 in 1) | | B | No | Other Assets | Furniture and other office equipment | 2 | 2 | - | - | - | - | New | |
| 0050: Parks | Systems Cabinet | | B | No | Other Assets | Furniture and other office equipment | 3 | - | 3 | - | - | - | New | |
| 0050: Parks | table, lessenaar en 4 deur laa | | B | No | Other Assets | Furniture and other office equipment | 3 | 3 | - | - | - | - | New | |
| 0050: Parks | Wooden Poles: Monument Park | | B | No | Other Assets | Furniture and other office equipment | 28 | - | 28 | - | - | - | New | |
| 0050: Parks | bench, 5 x garden bench (mail | | B | No | Other Assets | Other | 9 | 9 | - | - | - | - | New | |
| 0055: Sport Grounds | tydelike asds | | B | No | Other Assets | Parks & gardens | 179 | 179 | - | - | - | - | New | |
| 0055: Sport Grounds | Fencing Paballelo Stadium | | B | No | Infrastructure - Other | Other | 17 | - | 17 | - | - | - | New | |
| 0055: Sport Grounds | water and rioll, re-routing se | | B | No | Infrastructure - Sanitation | Sewerage purification | 32 | 32 | - | - | - | - | New | |
| 0055: Sport Grounds | buildings (pub facilities), ab | | B | No | Other Assets | Other Buildings | 29 | 29 | - | - | - | - | New | |
| 0055: Sport Grounds | Cordless Drill | | B | No | Other Assets | Plant & equipment | 3 | - | 3 | - | - | - | New | |
| 0055: Sport Grounds | Development of New Sportground: Lambrechtsdrift | | B | No | Community | Sportsfields & stadia | 3,001 | - | - | - | 978 | 2,023 | New | |
| 0055: Sport Grounds | Development of New Sportground: Louisvale Dorp | | B | No | Community | Sportsfields & stadia | 2,787 | - | - | - | 2,787 | - | New | |
| 0055: Sport Grounds | Development of New Sportground: Ntsikelelo | | B | No | Community | Sportsfields & stadia | 2,053 | - | - | - | - | 2,053 | New | |
| 0055: Sport Grounds | fenceing, fencing paballelo st | | B | No | Community | Sportsfields & stadia | 31 | 31 | - | - | - | - | New | |
| 0055: Sport Grounds | Netball/Tennis Courts Paballelo Stadium (Lotto) | | B | No | Community | Sportsfields & stadia | 8 | - | 8 | - | - | - | New | |
| 0055: Sport Grounds | Soccer Fields Paballelo Stadium (Lotto) | | B | No | Community | Sportsfields & stadia | 295 | - | 295 | - | - | - | New | |
| 0055: Sport Grounds | Treated Wooden poles Union Ground Netball Court | | B | No | Community | Sportsfields & stadia | 11 | - | 11 | - | - | - | New | |
| 0055: Sport Grounds | Upgrading - Kalksloot Sport Grounds (Lotto) | | B | No | Community | Sportsfields & stadia | 1,900 | - | 1,900 | - | - | - | New | |
| 0055: Sport Grounds | Upgrading - Karos Sport Grounds (Lotto) | | B | No | Community | Sportsfields & stadia | 1,900 | - | 1,900 | - | - | - | New | |
| 0056: Reits Park | Fencing: Reitzpark | | B | No | Infrastructure - Other | Other | 30 | - | 30 | - | - | - | New | |
| 0056: Reits Park | trolley, water pump trolley | | B | No | Other Assets | Plant & equipment | 5 | 5 | - | - | - | - | New | |
| 0057: Cemtries | Ablusieblok, Stoor & Heining - Leerkrantz (MIG) | | B | No | Community | Cemeteries | 843 | - | 843 | - | - | - | New | |
| 0057: Cemtries | Ablusieblok, Stoor & Heining - Ntsikelelo (MIG) | | B | No | Community | Cemeteries | 1,070 | - | 1,070 | - | - | - | New | |
| 0057: Cemtries | Ablusieblok, Stoor & Heining - Paballelo (MIG) | | B | No | Community | Cemeteries | 2,248 | - | 2,248 | - | - | - | New | |
| 0057: Cemtries | water and riool | | B | No | Infrastructure - Water | Reticulation | 49 | 49 | - | - | - | - | New | |
| 0057: Cemtries | Waterpyplyn (Kameelboom Begraafplaas)(Oorrol) | | B | No | Infrastructure - Water | Reticulation | 23 | - | 23 | - | - | - | New | |

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

| | | | | | | | | Prior year outcomes | | 2012/13 Medium Term Revenue & Expenditure Framework | | | Project Info |
|---|--------------------------------------|----------------|---------------|--------------------------------|--------------|--------------------------------------|------------------------|-------------------------|---|---|------------------------|------------------------|--------------|
| | | | | | | | | Audited Outcome 2010/11 | Current Year 2011/12 Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | |
| Municipal Vote / Capital Project / R thousand | Program/Project description | Project number | IDP Goal Code | Individually Approved (Yes/No) | Asset Class | Asset Sub-Class | Total Project Estimate | | | | | | |
| 0057: Cemeteries | buildings (housing), toilets a | | B | No | Other Assets | Other Buildings | (0) | (0) | - | - | - | - | New |
| 0057: Cemeteries | Jackhammer Air | | B | No | Other Assets | Plant & equipment | 8 | - | 8 | - | - | - | New |
| 1004: Masincedane Library Project | computer screen, lg 18.5" wide | | B | No | Other Assets | Computers - hardware/equipment | 2 | 2 | - | - | - | - | New |
| 1004: Masincedane Library Project | computer, computer - forum | | B | No | Other Assets | Computers - hardware/equipment | 4 | 4 | - | - | - | - | New |
| 1004: Masincedane Library Project | computer, computer - hoof bibl | | B | No | Other Assets | Computers - hardware/equipment | 4 | 4 | - | - | - | - | New |
| 1004: Masincedane Library Project | laptop, laptop - hoofbibliotee | | B | No | Other Assets | Computers - hardware/equipment | 6 | 6 | - | - | - | - | New |
| 1004: Masincedane Library Project | laptop, laptop - paballelo kan | | B | No | Other Assets | Computers - hardware/equipment | 6 | 6 | - | - | - | - | New |
| 1004: Masincedane Library Project | air conditioner, airconditione | | B | No | Other Assets | Furniture and other office equipment | 49 | 49 | - | - | - | - | New |
| 1004: Masincedane Library Project | cabinet computer hub, rekenaar | | B | No | Other Assets | Furniture and other office equipment | 1 | 1 | - | - | - | - | New |
| 1004: Masincedane Library Project | camera, digital camera | | B | No | Other Assets | Furniture and other office equipment | 4 | 4 | - | - | - | - | New |
| 1004: Masincedane Library Project | chair | | B | No | Other Assets | Furniture and other office equipment | 13 | 13 | - | - | - | - | New |
| 1004: Masincedane Library Project | chair, comfort chairs | | B | No | Other Assets | Furniture and other office equipment | 4 | 4 | - | - | - | - | New |
| 1004: Masincedane Library Project | chair, operator's chair | | B | No | Other Assets | Furniture and other office equipment | 1 | 1 | - | - | - | - | New |
| 1004: Masincedane Library Project | chair, secretary chairs | | B | No | Other Assets | Furniture and other office equipment | 1 | 1 | - | - | - | - | New |
| 1004: Masincedane Library Project | Chairs | | B | No | Other Assets | Furniture and other office equipment | 1 | - | 1 | - | - | - | New |
| 1004: Masincedane Library Project | Copy Maschine x 2 | | B | No | Other Assets | Furniture and other office equipment | 36 | - | 36 | - | - | - | New |
| 1004: Masincedane Library Project | Curtains (Forum Library) | | B | No | Other Assets | Furniture and other office equipment | 7 | - | 7 | - | - | - | New |
| 1004: Masincedane Library Project | desk, lessenaars | | B | No | Other Assets | Furniture and other office equipment | 8 | 8 | - | - | - | - | New |
| 1004: Masincedane Library Project | File Cabinets x 4 | | B | No | Other Assets | Furniture and other office equipment | 6 | - | 6 | - | - | - | New |
| 1004: Masincedane Library Project | Guillotine | | B | No | Other Assets | Furniture and other office equipment | 1 | - | 1 | - | - | - | New |
| 1004: Masincedane Library Project | Improve Containers (Rural Libraries) | | B | No | Other Assets | Furniture and other office equipment | 68 | - | 68 | - | - | - | New |
| 1004: Masincedane Library Project | Laminators x 3 | | B | No | Other Assets | Furniture and other office equipment | 1 | - | 1 | - | - | - | New |
| 1004: Masincedane Library Project | Pre-pald Copy Maschine | | B | No | Other Assets | Furniture and other office equipment | 50 | - | 50 | - | - | - | New |
| 1004: Masincedane Library Project | printer, printer - hoofbibliot | | B | No | Other Assets | Furniture and other office equipment | 2 | 2 | - | - | - | - | New |
| 1004: Masincedane Library Project | Shelves - Rosedale Library | | B | No | Other Assets | Furniture and other office equipment | 40 | - | 40 | - | - | - | New |
| 1004: Masincedane Library Project | Shelves on wheels | | B | No | Other Assets | Furniture and other office equipment | 54 | - | 54 | - | - | - | New |
| 1004: Masincedane Library Project | Study Tables | | B | No | Other Assets | Furniture and other office equipment | 3 | - | 3 | - | - | - | New |
| 1004: Masincedane Library Project | fenceing, palisade fencing - m | | B | No | Other Assets | Other | 70 | 70 | - | - | - | - | New |
| 1004: Masincedane Library Project | buildings (libraries), study a | | B | No | Other Assets | Other Buildings | 19 | 19 | - | - | - | - | New |
| 1004: Masincedane Library Project | buildings (libraries), upgradi | | B | No | Other Assets | Other Buildings | 15 | 15 | - | - | - | - | New |
| 1004: Masincedane Library Project | paving, paving - | | B | No | Other Assets | Plant & equipment | 7 | 7 | - | - | - | - | New |
| | | | | | | | | | | | | | |
| Technical Services | | | | | | | | | | | | | |
| 0018: Housing and Development | cabinet | | B | No | Other Assets | Furniture and other office equipment | 3 | 3 | - | - | - | - | New |
| 0018: Housing and Development | chair | | B | No | Other Assets | Furniture and other office equipment | 3 | 3 | - | - | - | - | New |
| 0018: Housing and Development | chair, chair - mirage h/b s/t | | B | No | Other Assets | Furniture and other office equipment | 1 | 1 | - | - | - | - | New |
| 0018: Housing and Development | chair, chair c3 with arms | | B | No | Other Assets | Furniture and other office equipment | 1 | 1 | - | - | - | - | New |
| 0018: Housing and Development | chair, chair s3000g synchro ga | | B | No | Other Assets | Furniture and other office equipment | 2 | 2 | - | - | - | - | New |
| 0018: Housing and Development | chair, techno 900 integral arm | | B | No | Other Assets | Furniture and other office equipment | 2 | 2 | - | - | - | - | New |
| 0018: Housing and Development | desk | | B | No | Other Assets | Furniture and other office equipment | 7 | 7 | - | - | - | - | New |
| 0018: Housing and Development | desk, link 1000x600 double sid | | B | No | Other Assets | Furniture and other office equipment | 1 | 1 | - | - | - | - | New |
| 0018: Housing and Development | pedestal, pedestal 3 draw | | B | No | Other Assets | Furniture and other office equipment | 2 | 2 | - | - | - | - | New |
| 0018: Housing and Development | projector, steel retic cantile | | B | No | Other Assets | Furniture and other office equipment | 2 | 2 | - | - | - | - | New |
| 0018: Housing and Development | projector, steel retic leg and | | B | No | Other Assets | Furniture and other office equipment | 1 | 1 | - | - | - | - | New |
| 0018: Housing and Development | screen, fabric screens 1600x45 | | B | No | Other Assets | Furniture and other office equipment | 1 | 1 | - | - | - | - | New |

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

| | | | | | | | | Prior year outcomes | | 2012/13 Medium Term Revenue & Expenditure Framework | | | Project Info |
|---|--|----------------|---------------|--------------------------------|---------------------------------|--------------------------------------|------------------------|-------------------------|---|---|------------------------|------------------------|--------------|
| | | | | | | | | Audited Outcome 2010/11 | Current Year 2011/12 Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | |
| | | | | | | | | | | | | | |
| Municipal Vote / Capital Project / R thousand | Program/Project description | Project number | IDP Goal Code | Individually Approved (Yes/No) | Asset Class | Asset Sub-Class | Total Project Estimate | | | | | | |
| 0030: Town Planning and Building Control | Caddie V17 (Upgrade) (Software) | | B | No | Intangibles | Computers - software & programming | 15 | – | 15 | – | – | – | New |
| 0030: Town Planning and Building Control | Aircondition for Room 057 | | B | No | Other Assets | Furniture and other office equipment | 6 | – | 6 | – | – | – | Renewal |
| 0030: Town Planning and Building Control | Office Chair for Room 073 | | B | No | Other Assets | Furniture and other office equipment | 1 | – | 1 | – | – | – | New |
| 0030: Town Planning and Building Control | Plotter/Scanner/Printer vir Bouplanne | | B | No | Other Assets | Furniture and other office equipment | 76 | – | 76 | – | – | – | Renewal |
| 0037: Director Technical Services | LED TV 32" Director Technical Services | | C | No | Other Assets | Furniture and other office equipment | 8 | – | 8 | – | – | – | New |
| 0041: Streets and Stormwater Drainage | Airconditioner 18000 BTU | | B | No | Other Assets | Furniture and other office equipment | 6 | – | 6 | – | – | – | Renewal |
| 0041: Streets and Stormwater Drainage | Airconditioner 24000 BTU | | B | No | Other Assets | Furniture and other office equipment | 8 | – | 8 | – | – | – | Renewal |
| 0041: Streets and Stormwater Drainage | Connection road between Rosedale and Paballelo | | B | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 19,079 | – | 1,900 | 8,876 | 8,303 | – | New |
| 0041: Streets and Stormwater Drainage | Herseel Van Strate (Phase 1) (Oorrol) | | B | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 5,870 | – | 5,870 | – | – | – | Renewal |
| 0041: Streets and Stormwater Drainage | Kalksloot Access Road (MIG) | | B | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 2,068 | – | 1,000 | 1,068 | – | – | New |
| 0041: Streets and Stormwater Drainage | Lengthen & tar Dakota Road for heavy vehicles | | B | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 12,281 | – | 3,500 | 8,781 | – | – | New |
| 0041: Streets and Stormwater Drainage | Louisvale Dorp Access Road (MIG) | | B | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 2,025 | – | 2,025 | – | – | – | New |
| 0041: Streets and Stormwater Drainage | pavements | | B | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 1,291 | 1,291 | – | – | – | – | New |
| 0041: Streets and Stormwater Drainage | paving | | B | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 5,291 | 5,291 | – | – | – | – | New |
| 0041: Streets and Stormwater Drainage | Paving Streets Paballelo (EPWP Project) | | B | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 4,344 | – | 2,414 | 1,930 | – | – | New |
| 0041: Streets and Stormwater Drainage | paving, verbindingspad (mornin | | B | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 13 | 13 | – | – | – | – | New |
| 0041: Streets and Stormwater Drainage | Plavei Van Strate (Manne Depico&Sishuba)(Oorrol) | | B | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 738 | – | 738 | – | – | – | New |
| 0041: Streets and Stormwater Drainage | Plavei Van Toegangspad (Leseding)(MIG) | | B | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 1,984 | – | 1,234 | 750 | – | – | New |
| 0041: Streets and Stormwater Drainage | Raaswater Access Road (MIG) | | B | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 1,978 | – | 1,000 | 978 | – | – | New |
| 0041: Streets and Stormwater Drainage | Resealing of street | | B | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 5,000 | – | 5,000 | – | – | – | Renewal |
| 0041: Streets and Stormwater Drainage | Second entrance to Paballelo | | B | No | Infrastructure - Road transport | Roads, Pavements & Bridges | 3,760 | – | 3,760 | – | – | – | New |
| 0041: Streets and Stormwater Drainage | Upgrade CBD storm water system | | B | No | Infrastructure - Road transport | Storm water | 2,300 | – | 690 | 1,610 | – | – | New |
| 0041: Streets and Stormwater Drainage | pavements, toeganklike sypaadj | | B | No | Other Assets | Other | (6) | (6) | – | – | – | – | New |
| 0042: Workshop | airconditioner | | B | No | Other Assets | Furniture and other office equipment | 6 | – | 6 | – | – | – | New |
| 0042: Workshop | 2 Ton Trolly Jack | | B | No | Other Assets | Plant & equipment | 29 | – | 29 | – | – | – | New |
| 0042: Workshop | 3 Ton Trolly Jack | | B | No | Other Assets | Plant & equipment | 6 | – | 6 | – | – | – | New |
| 0042: Workshop | Bearing Adaptor Set | | B | No | Other Assets | Plant & equipment | 2 | – | 2 | – | – | – | New |
| 0042: Workshop | Bearing Puller Set | | B | No | Other Assets | Plant & equipment | 2 | – | 2 | – | – | – | New |
| 0042: Workshop | Blind Bearing Puller Set | | B | No | Other Assets | Plant & equipment | 1 | – | 1 | – | – | – | New |
| 0042: Workshop | Boroscope | | B | No | Other Assets | Plant & equipment | 2 | – | 2 | – | – | – | New |
| 0042: Workshop | Brake Plessure Bleeder | | B | No | Other Assets | Plant & equipment | 1 | – | 1 | – | – | – | New |
| 0042: Workshop | Brake Spreader Kit | | B | No | Other Assets | Plant & equipment | 1 | – | 1 | – | – | – | New |
| 0042: Workshop | diagnostic ste, diagnostic tes | | B | No | Other Assets | Plant & equipment | 45 | 45 | – | – | – | – | New |
| 0042: Workshop | Engine Support | | B | No | Other Assets | Plant & equipment | 1 | – | 1 | – | – | – | New |
| 0042: Workshop | Fuel Injection Test Kit | | B | No | Other Assets | Plant & equipment | 2 | – | 2 | – | – | – | New |
| 0042: Workshop | Improvements At Workshop | | B | No | Other Assets | Plant & equipment | 2,000 | – | 2,000 | – | – | – | New |
| 0042: Workshop | John Vice | | B | No | Other Assets | Plant & equipment | 2 | – | 2 | – | – | – | New |
| 0042: Workshop | MIC Set 0-300MM | | B | No | Other Assets | Plant & equipment | 6 | – | 6 | – | – | – | New |
| 0042: Workshop | Oil Evactuator 80L | | B | No | Other Assets | Plant & equipment | 6 | – | 6 | – | – | – | New |
| 0042: Workshop | Radiator Presssure Tester | | B | No | Other Assets | Plant & equipment | 3 | – | 3 | – | – | – | New |
| 0042: Workshop | Slide Hammer Puller Set | | B | No | Other Assets | Plant & equipment | 1 | – | 1 | – | – | – | New |
| 0042: Workshop | Tool Trolley | | B | No | Other Assets | Plant & equipment | 18 | – | 18 | – | – | – | New |
| 0042: Workshop | Wireles Noise Tester | | B | No | Other Assets | Plant & equipment | 3 | – | 3 | – | – | – | New |
| 0042: Workshop | Workshop tools | | B | No | Other Assets | Plant & equipment | 29 | – | 29 | – | – | – | New |
| 0044: Main Roads | pump (sewer), 2 x flygt dompel | | B | No | Infrastructure - Sanitation | Reticulation | 127 | 127 | – | – | – | – | New |

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

| Municipal Vote / Capital Project / R thousand | Program/Project description | Project number | IDP Goal Code | Individually Approved (Yes/No) | Asset Class | Asset Sub-Class | Total Project Estimate | Prior year outcomes | | 2012/13 Medium Term Revenue & Expenditure Framework | | | Project Info |
|---|---|----------------|---------------|--------------------------------|-----------------------------|--------------------------------------|------------------------|-------------------------|---|---|------------------------|------------------------|--------------|
| | | | | | | | | Audited Outcome 2010/11 | Current Year 2011/12 Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | |
| 0044: Main Roads | pump (sewer), new pump sewerag | | B | No | Infrastructure - Sanitation | Reticulation | 64 | 64 | - | - | - | - | New |
| 0044: Main Roads | pump station control panel, op | | B | No | Infrastructure - Sanitation | Reticulation | 15 | 15 | - | - | - | - | New |
| 0045: Sewerage Purification Plant | Airconditioner Breezair CPL1100 | | B | No | Other Assets | Furniture and other office equipment | 24 | - | 24 | - | - | - | New |
| 0045: Sewerage Purification Plant | Extension Of Louisvale Road Sewerage Works (Mig) (1155) | | B | No | Infrastructure - Sanitation | Reticulation | 3,774 | - | - | 500 | 3,274 | - | New |
| 0045: Sewerage Purification Plant | Refurbishment and Upgrading of Kameelmond WWTW | | B | No | Infrastructure - Sanitation | Reticulation | 18,623 | - | - | - | 4,879 | 13,744 | New |
| 0045: Sewerage Purification Plant | Vervang Uitgediende Pompe, Skakeltuig, Kleppe | | B | No | Infrastructure - Sanitation | Reticulation | 377 | - | 377 | - | - | - | Renewal |
| 0045: Sewerage Purification Plant | 1 x drukker (vervanging) crr | | B | No | Other Assets | Plant & equipment | 21 | - | 21 | - | - | - | Renewal |
| 0045: Sewerage Purification Plant | Chloorskaal (Riolsuiweringswerke | | B | No | Other Assets | Plant & equipment | 2 | - | 2 | - | - | - | New |
| 0046: Transport | Magic Key Software | | B | No | Intangibles | Computers - software & programming | 14 | - | 14 | - | - | - | New |
| 0046: Transport | 1 Ton 2.4 2X4 Lav Met Kappie | | B | No | Other Assets | General vehicles | 191 | - | - | - | - | - | New |
| 0046: Transport | 1 Ton 2X4 Lav | | B | No | Other Assets | General vehicles | 366 | - | 366 | - | - | - | New |
| 0046: Transport | 1 Ton 2X4 Lav Met Polisie Tipe Kappie | | B | No | Other Assets | General vehicles | 553 | - | 553 | - | - | - | New |
| 0046: Transport | 1 Ton Lav Met Kappie (0033) | | B | No | Other Assets | General vehicles | 381 | - | 381 | - | - | - | New |
| 0046: Transport | 1.3 Ton 2.6 Diesel Trok Met Valkant | | B | No | Other Assets | General vehicles | 148 | - | 148 | - | - | - | New |
| 0046: Transport | 1.4 500Kg Lav | | B | No | Other Assets | General vehicles | 476 | - | 476 | - | - | - | New |
| 0046: Transport | 1.4 500Kg Lav Met Kappie | | B | No | Other Assets | General vehicles | 125 | - | 125 | - | - | - | New |
| 0046: Transport | 1.4 500Kg Lav Met Kappie En Leerrak | | B | No | Other Assets | General vehicles | 129 | - | 129 | - | - | - | New |
| 0046: Transport | 1.4 Sedan (Hatch Back | | B | No | Other Assets | General vehicles | 141 | - | 141 | - | - | - | New |
| 0046: Transport | 1.4 Sedan (Hatch Back) | | B | No | Other Assets | General vehicles | 423 | - | 423 | - | - | - | New |
| 0046: Transport | 1.6 500 Kg LAW (0042) | | B | No | Other Assets | General vehicles | 136 | - | - | - | 136 | - | Renewal |
| 0046: Transport | 1.6 500 Kg LAW (0048) (Vakante Pos) | | B | No | Other Assets | General vehicles | 136 | - | - | 136 | - | - | New |
| 0046: Transport | 1.6 500 Kg LAW (0050) | | B | No | Other Assets | General vehicles | 136 | - | - | - | 136 | - | Renewal |
| 0046: Transport | 1.6 500 Kg LAW voldeur Kappie (0025) (Vakante Pos) | | B | No | Other Assets | General vehicles | 144 | - | - | 144 | - | - | New |
| 0046: Transport | 1.6 500kg Law (0018) | | B | No | Other Assets | General vehicles | 134 | - | 134 | - | - | - | New |
| 0046: Transport | 1.6 500kg Law (0020) | | B | No | Other Assets | General vehicles | 134 | - | 134 | - | - | - | New |
| 0046: Transport | 1.6 500kg Law (0028) | | B | No | Other Assets | General vehicles | 268 | - | 268 | - | - | - | New |
| 0046: Transport | 1.6 500kg Law (0029) | | B | No | Other Assets | General vehicles | 134 | - | 134 | - | - | - | New |
| 0046: Transport | 1.6 500kg Law (0034) | | B | No | Other Assets | General vehicles | 134 | - | 134 | - | - | - | New |
| 0046: Transport | 1.6 500kg Law (0042) | | B | No | Other Assets | General vehicles | 134 | - | 134 | - | - | - | New |
| 0046: Transport | 1.6 500kg Law (0059) | | B | No | Other Assets | General vehicles | 134 | - | 134 | - | - | - | New |
| 0046: Transport | 1.6 500kg Law met kappie (0007) | | B | No | Other Assets | General vehicles | 144 | - | 144 | - | - | - | New |
| 0046: Transport | 1.6 Hatch Back (0008) | | B | No | Other Assets | General vehicles | 179 | - | 179 | - | - | - | New |
| 0046: Transport | 1.6 Hatch Back (0018) | | B | No | Other Assets | General vehicles | 179 | - | 179 | - | - | - | New |
| 0046: Transport | 1.6 Hatch Back (0021) | | B | No | Other Assets | General vehicles | 179 | - | 179 | - | - | - | New |
| 0046: Transport | 1.6 Hatch Back (0029) | | B | No | Other Assets | General vehicles | 358 | - | 358 | - | - | - | New |
| 0046: Transport | 1.6 Sedan (0001) | | B | No | Other Assets | General vehicles | 220 | - | 220 | - | - | - | New |
| 0046: Transport | 1.6 Sedan Verkeersvoertuig | | B | No | Other Assets | General vehicles | 143 | - | 143 | - | - | - | New |
| 0046: Transport | 2 Ton Crew Cab Trok met Drarak (0048) (Vakante Pos) | | B | No | Other Assets | General vehicles | 1,400 | - | - | 1,400 | - | - | New |
| 0046: Transport | 2 Ton Crew Cab Trok met Drarak (0067) | | B | No | Other Assets | General vehicles | 350 | - | - | 350 | - | - | Renewal |
| 0046: Transport | 2.0 1 000 Kg Hi Rider LAW (0042) | | B | No | Other Assets | General vehicles | 190 | - | - | - | 190 | - | New |
| 0046: Transport | 2.0 1 000 Kg LAW (0027) (Vakante Pos) | | B | No | Other Assets | General vehicles | 180 | - | - | - | 180 | - | New |
| 0046: Transport | 2.0 1 000 Kg LAW (0041) | | B | No | Other Assets | General vehicles | 180 | - | - | - | 180 | - | Renewal |
| 0046: Transport | 2.0 1 000 Kg LAW (0042) | | B | No | Other Assets | General vehicles | 180 | - | - | - | 180 | - | Renewal |
| 0046: Transport | 2.0 1 000 Kg LAW (0062) | | B | No | Other Assets | General vehicles | 360 | - | - | - | 360 | - | Renewal |
| 0046: Transport | 2.0 1000kg Law (0040) | | B | No | Other Assets | General vehicles | 170 | - | 170 | - | - | - | New |

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

| Municipal Vote / Capital Project / R thousand | Program/Project description | Project number | IDP Goal Code | Individually Approved (Yes/No) | Asset Class | Asset Sub-Class | Total Project Estimate | Prior year outcomes | | 2012/13 Medium Term Revenue & Expenditure Framework | | | Project Info |
|---|---|----------------|---------------|--------------------------------|--------------|-----------------------------|------------------------|-------------------------|---|---|------------------------|------------------------|--------------|
| | | | | | | | | Audited Outcome 2010/11 | Current Year 2011/12 Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | |
| 0046: Transport | 2.0 1000kg Law (0041) | | B | No | Other Assets | General vehicles | 680 | – | 680 | – | – | – | New |
| 0046: Transport | 2.0 1000kg Law (0047) | | B | No | Other Assets | General vehicles | 170 | – | 170 | – | – | – | New |
| 0046: Transport | 2.0 1000kg Law met kappie (0049) | | B | No | Other Assets | General vehicles | 180 | – | 180 | – | – | – | New |
| 0046: Transport | 2.0 1000kg Law met kappie met dakrak (0048) | | B | No | Other Assets | General vehicles | 555 | – | 555 | – | – | – | New |
| 0046: Transport | 2.0 1000kg Law met trallies (0001) | | B | No | Other Assets | General vehicles | 170 | – | 170 | – | – | – | New |
| 0046: Transport | 2.0 1000kg Law met trallies (0002) | | B | No | Other Assets | General vehicles | 170 | – | 170 | – | – | – | New |
| 0046: Transport | 2.4 4x4 1000kg Law (0041) | | B | No | Other Assets | General vehicles | 225 | – | 225 | – | – | – | New |
| 0046: Transport | 2.5 Kub Laaigraaf | | B | No | Other Assets | General vehicles | 1,204 | – | 1,204 | – | – | – | New |
| 0046: Transport | 4 Ton Lift Platform Trok | | B | No | Other Assets | General vehicles | 492 | – | 492 | – | – | – | New |
| 0046: Transport | 7 000 L Vacuum Tanker (0028) | | B | No | Other Assets | General vehicles | 1,900 | – | – | 950 | 950 | – | Renewal |
| 0046: Transport | 8 Ton 15 Kub Compactor Trok (0027) | | B | No | Other Assets | General vehicles | 3,135 | – | 3,135 | – | – | – | New |
| 0046: Transport | 8 Ton 15 Kub Heil Compactor | | B | No | Other Assets | General vehicles | 1,443 | – | 1,443 | – | – | – | New |
| 0046: Transport | 8 Ton 6 kub Tipper Trok (0041) | | B | No | Other Assets | General vehicles | 2,263 | – | 2,263 | – | – | – | New |
| 0046: Transport | 8 Ton 7,500L Watertrok | | B | No | Other Assets | General vehicles | 816 | – | 816 | – | – | – | New |
| 0046: Transport | 8 Ton Tipper Truck | | B | No | Other Assets | General vehicles | 754 | – | 754 | – | – | – | New |
| 0046: Transport | 8000 Lt Vakuum Tanker Trok (0026) | | B | No | Other Assets | General vehicles | 1,285 | – | 1,285 | – | – | – | New |
| 0046: Transport | Campaign Truck | | B | No | Other Assets | General vehicles | 3,000 | – | – | – | 3,000 | – | New |
| 0046: Transport | Digger Loader (TLB) (0041) | | B | No | Other Assets | General vehicles | 700 | – | – | 700 | – | – | New |
| 0046: Transport | Hammer (Krupp) (0067) | | B | No | Other Assets | General vehicles | 500 | – | – | 500 | – | – | New |
| 0046: Transport | Mobile Kraan (0042) | | B | No | Other Assets | General vehicles | 680 | – | – | 680 | – | – | Renewal |
| 0046: Transport | Skip Onderstel (0027) | | B | No | Other Assets | General vehicles | 250 | – | – | – | 250 | – | New |
| 0046: Transport | Sport Utility Vehicle (SUV) (0002) | | B | No | Other Assets | General vehicles | 650 | – | 650 | – | – | – | New |
| 0046: Transport | tractor, trekker (40 kw)(0057) | | B | No | Other Assets | General vehicles | 155 | 155 | – | – | – | – | New |
| 0046: Transport | tractor, trekker met laaigraaf | | B | No | Other Assets | General vehicles | 249 | 249 | – | – | – | – | New |
| 0046: Transport | Trekker (0041) | | B | No | Other Assets | General vehicles | 1,115 | – | 615 | – | 500 | – | Renewal |
| 0046: Transport | Trekker (0050) | | B | No | Other Assets | General vehicles | 307 | – | 307 | – | – | – | New |
| 0046: Transport | Trekker (0055) | | B | No | Other Assets | General vehicles | 154 | – | 154 | – | – | – | New |
| 0046: Transport | trucks/bakkies, 4 x 4 dubbelka | | B | No | Other Assets | General vehicles | 258 | 258 | – | – | – | – | New |
| 0046: Transport | trucks/bakkies, 500 kg law (oo | | B | No | Other Assets | General vehicles | 103 | 103 | – | – | – | – | New |
| 0046: Transport | trucks/bakkies, 500 kg law met | | B | No | Other Assets | General vehicles | 108 | 108 | – | – | – | – | New |
| 0046: Transport | water pump machine, draagbare | | B | No | Other Assets | General vehicles | 95 | 95 | – | – | – | – | New |
| 0046: Transport | buildings (offices), server ro | | B | No | Other Assets | Other Buildings | 65 | 65 | – | – | – | – | New |
| 0046: Transport | blower, 1.5m blower mower | | B | No | Other Assets | Plant & equipment | 30 | 30 | – | – | – | – | New |
| 0046: Transport | Bull Dozer | | B | No | Other Assets | Plant & equipment | 2,599 | – | 2,599 | – | – | – | New |
| 0046: Transport | chainsaw, kettingsaag | | B | No | Other Assets | Plant & equipment | 10 | 10 | – | – | – | – | New |
| 0046: Transport | lawn mower, 3 x walk behind mo | | B | No | Other Assets | Plant & equipment | 52 | 52 | – | – | – | – | New |
| 0046: Transport | lawn mower, 510mm verticut sca | | B | No | Other Assets | Plant & equipment | 24 | 24 | – | – | – | – | New |
| 0046: Transport | lawn mower, walk behind self p | | B | No | Other Assets | Plant & equipment | 51 | 51 | – | – | – | – | New |
| 0046: Transport | lawn mower, zero turn ride-on | | B | No | Other Assets | Plant & equipment | 110 | 110 | – | – | – | – | New |
| 0046: Transport | Roller - Bomag (0041) | | B | No | Other Assets | Plant & equipment | 83 | – | 83 | – | – | – | New |
| 0046: Transport | sprayer, 3 point sprayer | | B | No | Other Assets | Plant & equipment | 30 | 30 | – | – | – | – | New |
| 0046: Transport | water pump machine, water pump | | B | No | Other Assets | Plant & equipment | 2 | 2 | – | – | – | – | New |
| 0046: Transport | Refurbish 4x4 Off Road Vehicle (Brandweer) | | B | No | Other Assets | Specialised vehicles - Fire | 650 | – | – | – | 650 | – | Renewal |
| 0046: Transport | Refurbish Pumper Vehicle (Brandweer) | | B | No | Other Assets | Specialised vehicles - Fire | 1,200 | – | – | – | 1,200 | – | Renewal |
| 0046: Transport | Response / Rescue Vehicle | | B | No | Other Assets | Specialised vehicles - Fire | 982 | – | 982 | – | – | – | New |

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

| Municipal Vote / Capital Project / R thousand | Program/Project description | Project number | IDP Goal Code | Individually Approved (Yes/No) | Asset Class | Asset Sub-Class | Total Project Estimate | Prior year outcomes | | 2012/13 Medium Term Revenue & Expenditure Framework | | | Project Info |
|---|--|----------------|---------------|--------------------------------|------------------------------|-------------------------------|------------------------|-------------------------|---|---|------------------------|------------------------|--------------|
| | | | | | | | | Audited Outcome 2010/11 | Current Year 2011/12 Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | |
| 0046: Transport | 8 Ton 6 kub Tipper Trok (0027) | | B | No | Other Assets | Specialised vehicles - Refuse | 840 | – | – | 840 | – | – | New |
| 0046: Transport | Kompakteerder (Stortingsterrein) (0027) | | B | No | Other Assets | Specialised vehicles - Refuse | 3,000 | – | – | – | 3,000 | – | Renewal |
| 0048: Sewerage Distribution Networks | Enlarge main sewerage drainage line | | B | No | Infrastructure - Sanitation | Reticulation | 8,585 | – | 480 | 5,000 | 3,105 | – | New |
| 0048: Sewerage Distribution Networks | Enlarge Upington Main Sewerline (1156) | | B | No | Infrastructure - Sanitation | Reticulation | 5,002 | – | – | – | – | 5,002 | New |
| 0048: Sewerage Distribution Networks | Upgrade Main Sewerage Line (Dawid Street, Pab) | | B | No | Infrastructure - Sanitation | Reticulation | 355 | – | 355 | – | – | – | Renewal |
| 0048: Sewerage Distribution Networks | Verlenging Van Rioollyn (Myles, Keidebees) | | B | No | Infrastructure - Sanitation | Reticulation | 55 | – | 55 | – | – | – | Renewal |
| 0048: Sewerage Distribution Networks | Water & Rioldienste 81 Erwe (Oorrol) | | B | No | Infrastructure - Sanitation | Reticulation | 929 | – | 929 | – | – | – | New |
| 0048: Sewerage Distribution Networks | sewerage network, hoof rioolly | | B | No | Infrastructure - Sanitation | Sewerage purification | 944 | 944 | – | – | – | – | New |
| 0048: Sewerage Distribution Networks | sewerage network | | B | No | Infrastructure - Water | Reticulation | 1,008 | 1,008 | – | – | – | – | New |
| 0059: Electricity Administration | 11 Kv Verbinding (Alpha / Charlie Sub)(Oorrol) | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 39 | – | 39 | – | – | – | New |
| 0059: Electricity Administration | 11kV feeder from BS4 to DS | 5.1.13 | B | No | Infrastructure - Electricity | Transmission & Reticulation | 6,000 | – | 6,000 | – | – | – | New |
| 0059: Electricity Administration | 11kV feeder from Charlie substation to CS2 | 5.1.10 | B | No | Infrastructure - Electricity | Transmission & Reticulation | 6,000 | – | 6,000 | – | – | – | New |
| 0059: Electricity Administration | electricity network | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 2,504 | 2,504 | – | – | – | – | New |
| 0059: Electricity Administration | electricity network, addisionel | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 95 | 95 | – | – | – | – | New |
| 0059: Electricity Administration | electricity network, elektrifis | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 1,062 | 1,062 | – | – | – | – | New |
| 0059: Electricity Administration | electricity network, netwerkopp | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 231 | 231 | – | – | – | – | New |
| 0059: Electricity Administration | electricity network, opgrader | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 84 | 84 | – | – | – | – | New |
| 0059: Electricity Administration | electricity network, ringtoevoe | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 567 | 567 | – | – | – | – | New |
| 0059: Electricity Administration | Electrical Services for CTHC Development | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 9,178 | – | 459 | 8,719 | – | – | New |
| 0059: Electricity Administration | Elektrifisering 256 Huise (INEP) | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 1,829 | – | 1,829 | – | – | – | New |
| 0059: Electricity Administration | Elektrifisering 256 Huise (Raad) | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 2,240 | – | 2,240 | – | – | – | New |
| 0059: Electricity Administration | Elektrifisering 61 Huise (Raad Deel)(Oorrol) | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 159 | – | 159 | – | – | – | New |
| 0059: Electricity Administration | Elektrisiteitaansluiting: Erf 11765 na Poskantoor | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 3 | – | 3 | – | – | – | New |
| 0059: Electricity Administration | Elektrisiteitaansluiting: Erf 3389 | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 12 | – | 12 | – | – | – | New |
| 0059: Electricity Administration | Fencing of mini-subs in Smarties Valley | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 14 | – | 14 | – | – | – | New |
| 0059: Electricity Administration | High Mast Lighting (Rosedale & Paballelo)(MIG) | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 2,770 | – | 2,770 | – | – | – | New |
| 0059: Electricity Administration | meter (pre paid), skuif vooraf | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 2 | 2 | – | – | – | – | New |
| 0059: Electricity Administration | meter (pre paid), vooruitbetaal | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 27 | 27 | – | – | – | – | New |
| 0059: Electricity Administration | Netwerke (Nuwe Ontwikkelings)(Oorrol) | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 7 | – | 7 | – | – | – | New |
| 0059: Electricity Administration | Netwerkopgradering (Sentrale Sake Gebied)(Orol) | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 180 | – | 180 | – | – | – | New |
| 0059: Electricity Administration | Nuwe Vooruitbetaalmeters | 5.4.2 | B | No | Infrastructure - Electricity | Transmission & Reticulation | 103 | – | 20 | 25 | 28 | 30 | New |
| 0059: Electricity Administration | Opgrader Hooftoevoernetwerk | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 1,455 | – | 1,455 | – | – | – | New |
| 0059: Electricity Administration | opgrader miniatuur substasie | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 7 | 7 | – | – | – | – | New |
| 0059: Electricity Administration | Skuif Voorafbetaalmeters Na Nuwe Huise | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 706 | – | 706 | – | – | – | New |
| 0059: Electricity Administration | street lights, straatligte (st | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 123 | 123 | – | – | – | – | New |
| 0059: Electricity Administration | substation, opgrader substasi | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 1,110 | 1,110 | – | – | – | – | New |
| 0059: Electricity Administration | tydelike asds | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 2,034 | 2,034 | – | – | – | – | New |
| 0059: Electricity Administration | Upgrading of networks | 5.1.4 | B | No | Infrastructure - Electricity | Transmission & Reticulation | 400 | – | 400 | – | – | – | New |
| 0059: Electricity Administration | Vooruitbetaalmeters (Hulpbehoewendes) | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 108 | – | 25 | 25 | 28 | 30 | New |
| 0059: Electricity Administration | street lights | | B | No | Infrastructure - Electricity | Street Lighting | 136 | 136 | – | – | – | – | New |
| 0059: Electricity Administration | street lights, hoemasbeligting | | B | No | Infrastructure - Electricity | Street Lighting | 3,258 | 3,258 | – | – | – | – | New |
| 0059: Electricity Administration | street lights, straatligte (ko | | B | No | Infrastructure - Electricity | Street Lighting | 121 | 121 | – | – | – | – | New |
| 0059: Electricity Administration | 11 kV Overhead Feeder from Alpha Substation to DS2 | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 1,800 | – | – | – | 1,800 | – | New |
| 0059: Electricity Administration | Electrification projects of new Developments. 125 Connection | 5.2.6 | B | No | Infrastructure - Electricity | Transmission & Reticulation | 2,000 | – | – | 2,000 | – | – | New |
| 0059: Electricity Administration | Electrification projects of new Developments. 350 Connection | 5.2.4 | B | No | Infrastructure - Electricity | Transmission & Reticulation | 5,600 | – | – | 3,200 | 2,400 | – | New |

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

| Municipal Vote / Capital Project / R thousand | Program/Project description | Project number | IDP Goal Code | Individually Approved (Yes/No) | Asset Class | Asset Sub-Class | Total Project Estimate | Prior year outcomes | | 2012/13 Medium Term Revenue & Expenditure Framework | | | Project Info |
|---|--|----------------|---------------|--------------------------------|------------------------------|-----------------------------|------------------------|-------------------------|---|---|------------------------|------------------------|--------------|
| | | | | | | | | Audited Outcome 2010/11 | Current Year 2011/12 Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | |
| 0059: Electricity Administration | Electrification projects of new Developments. 375 Connections In Paballe | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 6,000 | - | - | - | 6,000 | - | New |
| 0059: Electricity Administration | Electrification projects of new Developments. 324 Connections in Smartie | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 5,184 | - | - | - | - | 5,184 | New |
| 0059: Electricity Administration | Electrification projects of new Developments. 455 Connections in Roseda | | B | No | Infrastructure - Electricity | Transmission & Reticulation | 7,280 | - | - | - | - | 7,280 | New |
| 0059: Electricity Administration | Electrification projects of new developments. 475 Connection | 5.2.5 | B | No | Infrastructure - Electricity | Transmission & Reticulation | 7,600 | - | - | 7,600 | - | - | New |
| 0059: Electricity Administration | Equipment for monitoring of supply quality | 5.1.1 | B | No | Infrastructure - Electricity | Transmission & Reticulation | 350 | - | - | 350 | - | - | New |
| 0059: Electricity Administration | Upgrade Main Supply Network and Connection to Delta Subs | 5.1.5 | B | No | Infrastructure - Electricity | Transmission & Reticulation | 1,107 | - | - | 1,107 | - | - | New |
| 0066: Water Production | Bou van muur en maak van pad vir vlot by Raaswater | | B | No | Infrastructure - Water | Dams & Reservoirs | 500 | - | - | 500 | - | - | New |
| 0066: Water Production | Set up tanks algae treatment & Filters water works | | B | No | Infrastructure - Water | Dams & Reservoirs | 8,226 | - | 2,800 | 5,426 | - | - | New |
| 0066: Water Production | Opgradeer Leseding Watersuiweringswerke | | B | No | Infrastructure - Water | Reticulation | 60 | - | 60 | - | - | - | New |
| 0066: Water Production | Opgradeer Ntsikelelo Watersuiweringswerke | | B | No | Infrastructure - Water | Reticulation | 60 | - | 60 | - | - | - | New |
| 0066: Water Production | Pomp by Water | | B | No | Infrastructure - Water | Reticulation | 800 | - | 800 | - | - | - | New |
| 0066: Water Production | Provide water on occupied residential sites. | | B | No | Infrastructure - Water | Reticulation | 300 | - | 300 | - | - | - | New |
| 0066: Water Production | Replace worn-out water pipelines | | B | No | Infrastructure - Water | Reticulation | 100 | - | 100 | - | - | - | Renewal |
| 0066: Water Production | sewer disposal works, opgrader | | B | No | Infrastructure - Water | Reticulation | 1,307 | 1,307 | - | - | - | - | New |
| 0066: Water Production | Vervang Uitgediende Pompe | | B | No | Infrastructure - Water | Reticulation | 100 | - | 100 | - | - | - | Renewal |
| 0066: Water Production | Vervang Uitgediende Pompe, Skakeltuig, Kleppe | | B | No | Infrastructure - Water | Reticulation | 230 | - | 230 | - | - | - | Renewal |
| 0066: Water Production | water and rioll, leseding opga | | B | No | Infrastructure - Water | Reticulation | 20 | 20 | - | - | - | - | New |
| 0067: Water Distribution | Civil Services Infrastructure for CTHC Project | | B | No | Infrastructure - Water | Reticulation | 7,825 | - | 391 | 7,434 | - | - | New |
| 0067: Water Distribution | Install Water Meters (Pab, R/Dale & L/W) | | B | No | Infrastructure - Water | Reticulation | 6,042 | - | 4,961 | 1,080 | - | - | New |
| 0067: Water Distribution | meter (pre paid), infasering v | | B | No | Infrastructure - Water | Reticulation | 38 | 38 | - | - | - | - | New |
| 0067: Water Distribution | Provide water on occupied residential sites | | B | No | Infrastructure - Water | Reticulation | 900 | - | - | 300 | 300 | 300 | Renewal |
| 0067: Water Distribution | Replace worn-out water pipelines | | B | No | Infrastructure - Water | Reticulation | 900 | - | - | 300 | 300 | 300 | Renewal |
| 0067: Water Distribution | water and riool | | B | No | Infrastructure - Water | Reticulation | 608 | 608 | - | - | - | - | New |
| 0067: Water Distribution | water and riool, installasie v | | B | No | Infrastructure - Water | Reticulation | 80 | 80 | - | - | - | - | New |
| 0067: Water Distribution | Waternetwerke (Paballelo En Rosedale Plakkers) | | B | No | Infrastructure - Water | Reticulation | 1,892 | - | 1,892 | - | - | - | New |
| Parent Capital expenditure | | | | | | | | 33,313 | 106,336 | 77,718 | 52,295 | 58,254 | |
| Entities: | | | | | | | | | | | | | |
| List all capital projects grouped by Entity | | | | | | | | | | | | | |
| Entity Capital expenditure | | | | | | | | - | - | - | - | - | |
| Total Capital expenditure | | | | | | | | 33,313 | 106,336 | 77,718 | 52,295 | 58,254 | |

Table 28 MBRR SA37 - Projects delayed from previous financial year

| Municipal Vote / Capital Project / R thousand | Ref. | Project name | Project number | Asset Class | Asset Sub-Class | Previous target year to complete Year | Current Year 2011/12 | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|------|---|----------------|------------------------------|---------------------------------------|--|----------------------|--------------------|---|------------------------|------------------------|
| | | | | | | | Original Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Parent municipality: | | | | | | | | | | | |
| Municipal Manager | | | | | | | | | | | |
| 0002:Municipal Council | | Wyk 01: Nie-Toegekende Wyksprojekte | | Infrastructure - Other | Other | 30 June 2011 | 161 | 161 | - | - | - |
| 0002:Municipal Council | | Wyk 02: Nie-Toegekende Wyksprojekte | | Infrastructure - Other | Other | 30 June 2011 | 400 | 400 | - | - | - |
| 0002:Municipal Council | | Wyk 03: Nie-Toegekende Wyksprojekte | | Infrastructure - Other | Other | 30 June 2011 | 277 | 277 | - | - | - |
| 0002:Municipal Council | | Wyk 04: Nie-Toegekende Wyksprojekte | | Infrastructure - Other | Other | 30 June 2011 | 158 | 158 | - | - | - |
| 0002:Municipal Council | | Wyk 05: Nie-Toegekende Wyksprojekte | | Infrastructure - Other | Other | 30 June 2011 | 460 | 460 | - | - | - |
| 0002:Municipal Council | | Wyk 06: Nie-Toegekende Wyksprojekte | | Infrastructure - Other | Other | 30 June 2011 | 100 | 100 | - | - | - |
| 0002:Municipal Council | | Wyk 07: Nie-Toegekende Wyksprojekte | | Infrastructure - Other | Other | 30 June 2011 | 101 | 101 | - | - | - |
| 0002:Municipal Council | | Wyk 08: Nie-Toegekende Wyksprojekte | | Infrastructure - Other | Other | 30 June 2011 | 500 | 500 | - | - | - |
| 0002:Municipal Council | | Wyk 09: Nie-Toegekende Wyksprojekte | | Infrastructure - Other | Other | 30 June 2011 | 425 | 425 | - | - | - |
| 0002:Municipal Council | | Wyk 10: Nie-Toegekende Wyksprojekte | | Infrastructure - Other | Other | 30 June 2011 | 213 | 213 | - | - | - |
| 0002:Municipal Council | | Wyk 11: Nie-Toegekende Wyksprojekte | | Infrastructure - Other | Other | 30 June 2011 | 131 | 131 | - | - | - |
| 0002:Municipal Council | | Wyk 12: Nie-Toegekende Wyksprojekte | | Infrastructure - Other | Other | 30 June 2011 | 118 | 118 | - | - | - |
| 0002:Municipal Council | | Wyk 13: Nie-Toegekende Wyksprojekte | | Infrastructure - Other | Other | 30 June 2011 | 262 | 262 | - | - | - |
| 0002:Municipal Council | | Wyk 14: Nie-Toegekende Wyksprojekte | | Infrastructure - Other | Other | 30 June 2011 | 348 | 348 | - | - | - |
| 0011:Municipal Manager | | Unallocated Assets (Administration) | | Other Assets | Other | 30 June 2011 | 3,525 | 3,525 | - | - | - |
| 0031:Local Economic Development | | Car Parks, Bus Terminals & Taxi Ranks | | Infrastructure - Transport | Car Parks, Bus Terminals & Taxi Ranks | 30 June 2011 | 510 | 510 | - | - | - |
| Corporate Services | | | | | | | | | | | |
| 0004:Property Administration | | Electrification ND Swartz Offices | | Infrastructure - Other | Other | 30 June 2011 | 27 | 27 | - | - | - |
| Development Services | | | | | | | | | | | |
| 0020:Traffic Services | | Brake Testing Machine | | Other Assets | Plant & equipment | 30 June 2011 | 248 | 248 | - | - | - |
| Technical Services | | | | | | | | | | | |
| 0041:Streets and Stormwater Drainage | | Plavei van Toegangspad (Leseding) (MIG) | | Infrastructure - Road transp | Roads, Pavements & Bridges | 30 June 2011 | 427 | 427 | - | - | - |
| 0041:Streets and Stormwater Drainage | | Herseel van Strate (Oorrol) | | Infrastructure - Road transp | Roads, Pavements & Bridges | 30 June 2011 | 4,970 | 4,970 | - | - | - |
| 0041:Streets and Stormwater Drainage | | | | Infrastructure - Road transp | Roads, Pavements & Bridges | 30 June 2011 | 738 | 738 | - | - | - |
| 0041:Streets and Stormwater Drainage | | Teer van Strate (Keidebees) (Oorrol) | | Infrastructure - Road transp | Roads, Pavements & Bridges | 30 June 2011 | 234 | 234 | - | - | - |
| 0041:Streets and Stormwater Drainage | | Paving Streets Paballelo (EPWP Project) | | Infrastructure - Road transp | Roads, Pavements & Bridges | 30 June 2011 | 4,614 | 4,614 | - | - | - |
| 0041:Streets and Stormwater Drainage | | Lengthen & Tar Dakota Road for Heavy Vehicles | | Infrastructure - Road transp | Roads, Pavements & Bridges | 30 June 2011 | 5,600 | 5,600 | - | - | - |
| 0042: Workshop | | Improvements at Workshop | | Other Assets | Plant & equipment | 30 June 2011 | 2,000 | 2,000 | - | - | - |
| 0044: Main Roads | | Herseel van Paaië (Oorrol) | | Infrastructure - Road transp | Roads, Pavements & Bridges | 30 June 2011 | 900 | 900 | - | - | - |
| 0045: Sewerage Purification Plant | | Vervang Uitgediende Pompe, Skakeltuig en Kleppe | | Infrastructure - Sanitation | Reticulation | 30 June 2011 | 377 | 377 | - | - | - |
| 0045: Sewerage Purification Plant | | Opgradering van Vlakbeheer (Oorrol) | | Infrastructure - Sanitation | Reticulation | 30 June 2011 | 96 | 96 | - | - | - |
| 0045: Sewerage Purification Plant | | Telemtriesestelsel (Hoofpompstasies) (Oorrol) | | Infrastructure - Sanitation | Reticulation | 30 June 2011 | 115 | 115 | - | - | - |
| 0046: Transport | | 1 Ton 2.4 2X4 LAV met Kappie | | Other Assets | General Vehicles | 30 June 2011 | 191 | 191 | - | - | - |
| 0046: Transport | | 1 Ton 2.4 2X4 LAV | | Other Assets | Plant & equipment | 30 June 2011 | 183 | 183 | - | - | - |

Table 29 MBRR SA37 - Projects delayed from previous financial year

| Municipal Vote / Capital Project / R thousand | Ref. | Project name | Project number | Asset Class | Asset Sub-Class | Previous target year to complete Year | Current Year 2011/12 | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|------|--|----------------|------------------------------|---------------------------------|---------------------------------------|----------------------|--------------------|---|------------------------|------------------------|
| | | | | | | | Original Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| 0046: Transport | | 1 Ton 2.4 2X4 LAV | | Other Assets | Plant & equipment | 30 June 2011 | 183 | 183 | - | - | - |
| 0046: Transport | | 1 Ton 2.4 2X4 LAV met Polisie Tipe Kappie | | Other Assets | Plant & equipment | 30 June 2011 | 184 | 184 | - | - | - |
| 0046: Transport | | 1 Ton 2.4 2X4 LAV met Polisie Tipe Kappie | | Other Assets | Plant & equipment | 30 June 2011 | 184 | 184 | - | - | - |
| 0046: Transport | | 1 Ton 2.4 2X4 LAV met Polisie Tipe Kappie | | Other Assets | Plant & equipment | 30 June 2011 | 185 | 185 | - | - | - |
| 0046: Transport | | 1 Ton LAV met Kappie (0033) | | Other Assets | Plant & equipment | 30 June 2011 | 381 | 381 | - | - | - |
| 0046: Transport | | 1.3 Ton 2.6 Diesel Trok met Valkant | | Other Assets | Plant & equipment | 30 June 2011 | 148 | 148 | - | - | - |
| 0046: Transport | | 1.4 500 Kg LAV met Kappie en Leerrak | | Other Assets | Plant & equipment | 30 June 2011 | 129 | 129 | - | - | - |
| 0046: Transport | | 1.4 500 Kg LAV | | Other Assets | Plant & equipment | 30 June 2011 | 119 | 119 | - | - | - |
| 0046: Transport | | 1.4 500 Kg LAV | | Other Assets | Plant & equipment | 30 June 2011 | 119 | 119 | - | - | - |
| 0046: Transport | | 1.4 500 Kg LAV | | Other Assets | Plant & equipment | 30 June 2011 | 119 | 119 | - | - | - |
| 0046: Transport | | 1.4 500 Kg LAV | | Other Assets | Plant & equipment | 30 June 2011 | 119 | 119 | - | - | - |
| 0046: Transport | | 1.4 500 Kg LAV met Kappie | | Other Assets | Plant & equipment | 30 June 2011 | 125 | 125 | - | - | - |
| 0046: Transport | | 1.4 Sedan (Hatch Back) | | Other Assets | Plant & equipment | 30 June 2011 | 141 | 141 | - | - | - |
| 0046: Transport | | 1.4 Sedan (Hatch Back) | | Other Assets | Plant & equipment | 30 June 2011 | 141 | 141 | - | - | - |
| 0046: Transport | | 1.4 Sedan (Hatch Back) | | Other Assets | Plant & equipment | 30 June 2011 | 141 | 141 | - | - | - |
| 0046: Transport | | 1.4 Sedan (Hatch Back) | | Other Assets | Plant & equipment | 30 June 2011 | 141 | 141 | - | - | - |
| 0046: Transport | | 1.6 Sedan Verkeersvoertuig | | Other Assets | Plant & equipment | 30 June 2011 | 143 | 143 | - | - | - |
| 0046: Transport | | 2.5 Kub Laaigraaf | | Other Assets | Plant & equipment | 30 June 2011 | 1,200 | 1,200 | - | - | - |
| 0046: Transport | | 4 Ton Lift Platform Trok | | Other Assets | Plant & equipment | 30 June 2011 | 490 | 490 | - | - | - |
| 0046: Transport | | 8 Ton 15 Hub Hell Compactor | | Other Assets | Plant & equipment | 30 June 2011 | 1,900 | 1,900 | - | - | - |
| 0046: Transport | | 8 Ton 7,500 L Watertrok | | Other Assets | Plant & equipment | 30 June 2011 | 733 | 733 | - | - | - |
| 0046: Transport | | 8 Ton Tipper Truck | | Other Assets | Plant & equipment | 30 June 2011 | 750 | 750 | - | - | - |
| 0046: Transport | | Response / Rescue Vehicle | | Other Assets | Special Vehicle | 30 June 2011 | 1,100 | 1,100 | - | - | - |
| 0046: Transport | | Bull Dozer | | Other Assets | Plant & equipment | 30 June 2011 | 3,000 | 3,000 | - | - | - |
| 0048: Sewerage Distribution Networks | | Upgrade Main Sewerage Line (Dawid Street, Pab) | | Infrastructure - Sanitation | Reticulation | 30 June 2011 | 355 | 355 | - | - | - |
| 0048: Sewerage Distribution Networks | | Verlenging van Rioollyn (Myles, Keidebees) | | Infrastructure - Sanitation | Reticulation | 30 June 2011 | 55 | 55 | - | - | - |
| 0048: Sewerage Distribution Networks | | Water & Rioldienste 81 Erwe (Oorrol) | | Sewerage Purification Plant | Infrastructure - Sanitation | 30 June 2011 | 929 | 929 | - | - | - |
| 0055: Sport Grounds | | Netball / Tennis Courts Paballelo Stadium (Lotto) | | Community | Sportfields & Stadia | 30 June 2011 | 41 | 41 | - | - | - |
| 0055: Sport Grounds | | Soccer Fields Paballelo Stadium (Lotto) | | Community | Streets and Stormwater Drainage | 30 June 2011 | 295 | 295 | - | - | - |
| 0055: Sport Grounds | | Ablution Facilities Pab Stad (Lotto) (Oorrol) | | Community | Infrastructure - Road transport | 30 June 2011 | 5 | 5 | - | - | - |
| 0057: Cemeteries | | Waterpyplyn (Kameelboom Begraafplaas) (Oorrol) | | Infrastructure - water | Reticulation | 30 June 2011 | 23 | 23 | - | - | - |
| 0059: Elec. Administration | | Elektrifisering 56 Huise in Kalksloot (INEP) | | Infrastructure - electricity | Transmission & Reticulation | 30 June 2011 | 30 | 30 | - | - | - |
| 0059: Elec. Administration | | Hoemasbeligting (Verskeie Woongebiede) (MIG) | | Infrastructure - electricity | Transmission & Reticulation | 30 June 2011 | 102 | 102 | - | - | - |
| 0059: Elec. Administration | | Nuwe Vooruitbetaalmeters | | Infrastructure - electricity | Transmission & Reticulation | 30 June 2011 | 30 | 30 | - | - | - |
| 0059: Elec. Administration | | Opgradeer Hooftoevoernetwerk | | Infrastructure - electricity | Transmission & Reticulation | 30 June 2011 | 1,181 | 1,181 | - | - | - |
| 0059: Elec. Administration | | Skuif Voorafbetaalmeters na Nuwe Huise | | Infrastructure - electricity | Transmission & Reticulation | 30 June 2011 | 398 | 398 | - | - | - |
| 0059: Elec. Administration | | 11 Kv Verbinding (Alpha / Charlie Sub) (Oorrol) | | Infrastructure - electricity | Transmission & Reticulation | 30 June 2011 | 40 | 40 | - | - | - |
| 0059: Elec. Administration | | Netwerke (Nuwe Ontwikkelings) (Oorrol) | | Infrastructure - electricity | Transmission & Reticulation | 30 June 2011 | 22 | 22 | - | - | - |
| 0059: Elec. Administration | | Netwerkopgradering (Industriële Gebied) (Oorrol) | | Infrastructure - electricity | Transmission & Reticulation | 30 June 2011 | 17 | 17 | - | - | - |
| 0059: Elec. Administration | | Netwerkopgradering (Landelike Gebied) (Oorrol) | | Infrastructure - electricity | Transmission & Reticulation | 30 June 2011 | 35 | 35 | - | - | - |
| 0059: Elec. Administration | | Netwerkopgradering (Sentrale Sake Gebied) (Oorrol) | | Infrastructure - electricity | Transmission & Reticulation | 30 June 2011 | 184 | 184 | - | - | - |
| 0059: Elec. Administration | | Opgradeer Miniatuur Substasies (Oorrol) | | Infrastructure - electricity | Transmission & Reticulation | 30 June 2011 | 40 | 40 | - | - | - |
| 0059: Elec. Administration | | Opgradeer Substasie E2 (Louisvaleweg) (Oorrol) | | Infrastructure - electricity | Transmission & Reticulation | 30 June 2011 | 159 | 159 | - | - | - |
| 0059: Elec. Administration | | Opgradeer Kraglyn (Klippunt / Sesbrugge) (Oorrol) | | Infrastructure - electricity | Transmission & Reticulation | 30 June 2011 | 10 | 10 | - | - | - |
| 0059: Elec. Administration | | Elektrifisering 61 Huise (Raad Deel) (Oorrol) | | Infrastructure - electricity | Transmission & Reticulation | 30 June 2011 | 172 | 172 | - | - | - |

Table 30 MBRR SA37 - Projects delayed from previous financial year

| Municipal Vote / Capital Project / R thousand | Ref. | Project name | Project number | Asset Class | Asset Sub-Class | Previous target year to complete | Current Year 2011/12 | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|--|------|--|-------------------|------------------------|------------------|--|----------------------|-----------------------|--|------------------------------|------------------------------|
| | | | | | | | Original Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| | | | | | | Year | | | | | |
| 0066: Water Production | | Opgradeer Ntsikelelo Watersuiweringswerke | | Infrastructure - water | Reticulation | 30 June 2011 | 60 | 60 | - | - | - |
| 0066: Water Production | | Opgradeer Leseding Watersuiweringswerke | | Infrastructure - water | Reticulation | 30 June 2011 | 60 | 60 | - | - | - |
| 0066: Water Production | | Opgradeer A H Sept Watersuiweringswerke (MIG) | | Infrastructure - water | Reticulation | 30 June 2011 | 1,035 | 1,035 | - | - | - |
| 0066: Water Production | | Riviervlot met Pompe (Raaswater) (Oorrol) | | Infrastructure - water | Reticulation | 30 June 2011 | 84 | 84 | - | - | - |
| 0067: Water Distribution | | Waternetwerke (Paballelo en Rosedale Plakkers) | | Infrastructure - water | Reticulation | 30 June 2011 | 892 | 892 | - | - | - |
| 0067: Water Distribution | | Waternetwerke (Paballelo en Rosedale Plakkers) | | Reticulation | Water Production | 30 June 2011 | 1,000 | 1,000 | - | - | - |
| | | | | | | Totals | 47,535 | 47,535 | - | - | - |

2.13 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the municipality's website.

2. Internship programme

The municipality is participating in the Municipal Financial Management Internship programme and has employed four of the five interns undergoing training in various divisions of the Financial Services Department. The four will complete their two year contract on 30 June 2013. Since the introduction of the Internship programme the municipality has successfully employed and trained four other interns through this programme and all of them were appointed in the municipality.

3. Budget and Treasury Office

The Budget and Treasury Office has been established in accordance with the MFMA.

4. Audit Committee

An Audit Committee has been established and is fully functional.

5. Service Delivery and Implementation Plan

The detail SDBIP document is at a draft stage and will be finalised after approval of the 2012/2013 MTREF in May 2012 directly aligned and informed by the 2012/2013 MTREF.

6. Annual Report

Annual report is compiled in terms of the MFMA and National Treasury requirements.

7. MFMA Training

The MFMA training module in electronic format is presented at the municipality's internal centre and training is on-going.

8. Policies

An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009 was announced in Government Gazette 33016 on 12 March 2010. The ratios as prescribed in the Regulations have been complied with.

2.14 Other supporting documents

Table 31 MBRR Table SA1 - Supporting detail to budgeted financial performance

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| REVENUE ITEMS: | | | | | | | | | |
| <u>Property rates</u> | | | | | | | | | |
| Total Property Rates | 32,242 | 35,997 | 39,472 | 42,515 | 43,970 | 43,970 | 50,823 | 54,381 | 58,188 |
| less Revenue Foregone | 57 | 1,027 | 1,368 | 1,656 | 2,037 | 2,037 | 2,169 | 2,299 | 2,437 |
| Net Property Rates | 32,185 | 34,970 | 38,104 | 40,858 | 41,934 | 41,934 | 48,654 | 52,081 | 55,750 |
| <u>Service charges - electricity revenue</u> | | | | | | | | | |
| Total Service charges - electricity revenue | 84,342 | 108,081 | 141,879 | 173,675 | 174,834 | 174,834 | 194,082 | 215,425 | 239,115 |
| less Revenue Foregone | - | - | - | - | - | - | - | - | - |
| Net Service charges - electricity revenue | 84,342 | 108,081 | 141,879 | 173,675 | 174,834 | 174,834 | 194,082 | 215,425 | 239,115 |
| <u>Service charges - water revenue</u> | | | | | | | | | |
| Total Service charges - water revenue | 30,526 | 34,312 | 35,927 | 40,390 | 40,571 | 40,571 | 43,412 | 46,454 | 49,708 |
| less Revenue Foregone | - | - | - | - | - | - | - | - | - |
| Net Service charges - water revenue | 30,526 | 34,312 | 35,927 | 40,390 | 40,571 | 40,571 | 43,412 | 46,454 | 49,708 |
| <u>Service charges - sanitation revenue</u> | | | | | | | | | |
| Total Service charges - sanitation revenue | 16,990 | 19,044 | 20,356 | 21,534 | 23,215 | 23,215 | 24,842 | 26,583 | 28,446 |
| less Revenue Foregone | - | - | - | - | - | - | - | - | - |
| Net Service charges - sanitation revenue | 16,990 | 19,044 | 20,356 | 21,534 | 23,215 | 23,215 | 24,842 | 26,583 | 28,446 |
| <u>Service charges - refuse revenue</u> | | | | | | | | | |
| Total refuse removal revenue | 11,127 | 12,552 | 14,390 | 15,739 | 17,037 | 17,037 | 22,659 | 24,245 | 25,942 |
| Total landfill revenue | - | - | - | - | - | - | - | - | - |
| less Revenue Foregone | - | - | - | - | - | - | - | - | - |
| Net Service charges - refuse revenue | 11,127 | 12,552 | 14,390 | 15,739 | 17,037 | 17,037 | 22,659 | 24,245 | 25,942 |
| <u>Other Revenue by source</u> | | | | | | | | | |
| Graves | 33 | 31 | 51 | 32 | 44 | 44 | 47 | 52 | 57 |
| Insurance Claims | 46 | 54 | 52 | 60 | 56 | 56 | 64 | 70 | 77 |
| Lost Water Tokens | 32 | 36 | 40 | 43 | 45 | 45 | 46 | 50 | 55 |
| Motor Hiring | 121 | 131 | 158 | 156 | 154 | 154 | 185 | 203 | 223 |
| Other Revenue | 221 | 382 | 279 | 35 | 253 | 253 | 203 | 223 | 245 |
| Parking Meter Charges | 10 | 13 | 11 | 15 | 14 | 14 | 17 | 18 | 20 |
| Photo Copies | 30 | 27 | 27 | 28 | 28 | 28 | 31 | 34 | 37 |
| Plan Fees | 356 | 383 | 306 | 199 | 71 | 71 | 71 | 77 | 85 |
| Posters (Lamp Poles) | - | 171 | 124 | 182 | 98 | 98 | 104 | 115 | 126 |
| Recoverable Cost (Income) | 43 | 44 | 47 | 43 | 23 | 23 | 26 | 28 | 31 |
| Recovery Commission | 259 | 296 | 511 | 320 | 380 | 380 | 400 | 440 | 484 |
| Registration Fees / Plan Drawers | 82 | 59 | 47 | 65 | 78 | 78 | 78 | 85 | 94 |
| Search Fees | 117 | 145 | 161 | 130 | 97 | 97 | 103 | 113 | 124 |
| Side Line Recoupment | 236 | 262 | 302 | 286 | 291 | 291 | 303 | 333 | 367 |
| Soil and Gravel | 26 | 17 | 33 | 35 | 5 | 5 | 10 | 11 | 12 |
| Staff Residence | 38 | 47 | 49 | 42 | 43 | 43 | 44 | 48 | 53 |
| Stores | 147 | 140 | 154 | 160 | 169 | 169 | 169 | 186 | 205 |
| Street Name Boards Electricity | 28 | 25 | 33 | 29 | 40 | 40 | 44 | 48 | 53 |
| Street Name Plate Compulsor | 32 | 39 | 62 | 57 | 30 | 30 | 32 | 35 | 39 |
| Sub-Economic Rental | 47 | 138 | 73 | 70 | 66 | 66 | 74 | 82 | 90 |
| Sundry Income | 14 | 18 | 28 | 25 | 40 | 40 | 40 | 43 | 48 |
| Swimming Pool Tickets | 24 | 26 | 58 | 28 | 90 | 90 | 90 | 99 | 109 |
| Vehicle Testing / Road Worthiness | 52 | 50 | 40 | 42 | 42 | 42 | 45 | 49 | 54 |
| Property Rates | 67 | 88 | 153 | 41 | 32 | 32 | 31 | 34 | 37 |
| Less: Revenue Foregone Rates | 29 | 67 | 109 | 83 | 83 | 83 | 91 | 100 | 110 |
| Total Property Rates | 230 | 291 | 357 | 386 | 383 | 383 | 406 | 446 | 491 |
| Total 'Other' Revenue | 2,321 | 2,980 | 3,263 | 2,592 | 2,654 | 2,654 | 2,751 | 3,025 | 3,327 |
| EXPENDITURE ITEMS: | | | | | | | | | |
| <u>Employee related costs</u> | | | | | | | | | |
| Basic Salaries and Wages | 56,515 | 68,997 | 89,797 | 99,362 | 105,688 | 105,688 | 117,299 | 121,209 | 129,541 |
| Contributions to UIF | 2,510 | 715 | 1,779 | 1,933 | 1,118 | 1,118 | 965 | 1,036 | 1,107 |
| Contributions to Pension | 8,957 | 10,403 | 14,571 | 16,984 | 16,447 | 16,447 | 18,727 | 20,113 | 21,481 |
| Medical Aid Contributions | 5,854 | 6,783 | 6,772 | 7,754 | 8,000 | 8,000 | 8,704 | 9,574 | 10,531 |
| Contributions to WCA | - | - | - | - | 1,295 | 1,295 | 1,072 | 1,151 | 1,229 |

Table 32 MBRR Table SA1 - Supporting detail to budgeted financial performance

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Group Life Insurance | 503 | 618 | 859 | 984 | 998 | 998 | 1,138 | 1,223 | 1,306 |
| Travel, Accommodation and Other Allowances | 2,713 | 3,753 | 4,556 | 5,276 | 5,010 | 5,010 | 6,206 | 6,572 | 6,920 |
| Housing benefits and allowances | 630 | 449 | 356 | 313 | 336 | 336 | 368 | 387 | 406 |
| Bargaining Council Contribution | 2 | 30 | 38 | 135 | 38 | 38 | 44 | 47 | 50 |
| Bonus | 3,989 | 4,610 | 6,280 | 7,694 | 7,381 | 7,381 | 8,726 | 9,372 | 10,009 |
| Overtime | 5,286 | 6,726 | 9,485 | 4,997 | 6,316 | 6,316 | 3,804 | 4,085 | 4,363 |
| Performance Bonus | 767 | 301 | 418 | 460 | 460 | 460 | 808 | 867 | 926 |
| Training Levies | 691 | 823 | 1,090 | 1,295 | 1,287 | 1,287 | 965 | 1,036 | 1,107 |
| Cellphone Allowance | - | - | - | - | - | - | - | - | - |
| Other benefits and allowances | - | - | - | - | - | - | - | - | - |
| Payments in lieu of leave | - | - | - | - | - | - | - | - | - |
| Long service awards | - | - | - | - | - | - | - | - | - |
| Post-retirement benefit obligations | 7,854 | 3,210 | 3,826 | 802 | 809 | 809 | 1,357 | 1,484 | 1,610 |
| <i>sub-total</i> | 96,273 | 107,418 | 139,826 | 147,989 | 155,182 | 155,182 | 170,182 | 178,157 | 190,587 |
| Less: Employees costs capitalised to PPE | - | - | - | - | - | - | - | - | - |
| Total Employee related costs | 96,273 | 107,418 | 139,826 | 147,989 | 155,182 | 155,182 | 170,182 | 178,157 | 190,587 |
| Contributions recognised - capital | | | | | | | | | |
| <i>List contributions by contract</i> | | | | | | | | | |
| Total Contributions recognised - capital | - | - | - | - | - | - | - | - | - |
| Depreciation & asset impairment | | | | | | | | | |
| Depreciation of Property, Plant & Equipment | 13,550 | 110,941 | 141,340 | 9,996 | 103,250 | 103,250 | 152,422 | 170,713 | 184,370 |
| Lease amortisation | - | - | - | - | - | - | - | - | - |
| Capital asset impairment | - | - | - | - | - | - | - | - | - |
| Depreciation resulting from revaluation of PPE | - | - | - | (11,561) | 98,369 | 98,369 | 137,994 | 154,554 | 166,918 |
| Total Depreciation & asset impairment | 13,550 | 110,941 | 141,340 | 21,557 | 4,881 | 4,881 | 14,428 | 16,159 | 17,452 |
| Bulk purchases | | | | | | | | | |
| Electricity Bulk Purchases | 45,121 | 60,330 | 77,981 | 99,500 | 99,233 | 99,233 | 114,630 | 130,105 | 147,669 |
| Water Bulk Purchases | 2,436 | 2,125 | 1,427 | 1,998 | 2,143 | 2,143 | 2,271 | 2,408 | 2,552 |
| Total bulk purchases | 47,557 | 62,456 | 79,408 | 101,498 | 101,376 | 101,376 | 116,901 | 132,512 | 150,221 |
| Transfers and grants | | | | | | | | | |
| Cash transfers and grants | 421 | 590 | 855 | 545 | 621 | 621 | 583 | 641 | 705 |
| Non-cash transfers and grants | - | - | - | - | - | - | - | - | - |
| Total transfers and grants | 421 | 590 | 855 | 545 | 621 | 621 | 583 | 641 | 705 |
| Contracted services | | | | | | | | | |
| <i>Business Plans</i> | - | - | - | - | - | - | - | - | - |
| <i>CCTV Equipment</i> | - | - | 18 | - | 107 | 107 | 150 | 165 | 181 |
| <i>Commission Paid</i> | 466 | 805 | 692 | 400 | 473 | 473 | 525 | 583 | 647 |
| <i>Greenfields</i> | - | - | - | - | - | - | - | - | - |
| <i>Legal Costs</i> | 863 | 1,678 | 1,486 | 1,250 | 1,516 | 1,516 | 1,531 | 1,684 | 1,853 |
| <i>Meter Reading Services</i> | 256 | 280 | 307 | 338 | 369 | 369 | 406 | 447 | 491 |
| <i>Pavement Master Plan</i> | - | - | - | - | - | - | - | - | (1,150) |
| <i>Professional Fees</i> | 11,629 | 3,182 | 5,792 | 5,820 | 4,853 | 4,853 | 5,045 | 5,514 | 5,693 |
| <i>Professional Services</i> | - | - | - | - | 0 | 0 | - | - | - |
| <i>Programming Costs</i> | 349 | 342 | 580 | 420 | 409 | 409 | 418 | 443 | 466 |
| <i>Refuse Removal Contractors</i> | - | - | - | - | - | - | - | - | - |
| <i>Removal of Refuse - Ward Projects</i> | - | - | 157 | 180 | 165 | 165 | 412 | 453 | 499 |
| <i>Security Service External</i> | - | 32 | 8 | 208 | 327 | 327 | 254 | 279 | 307 |
| <i>Service Contract: DSM Equipment</i> | 25 | 10 | - | - | - | - | - | - | - |
| <i>Service Investigation</i> | - | - | - | - | 80 | 80 | - | - | - |
| <i>Settlement Agreements</i> | - | - | 450 | - | - | - | - | - | - |
| <i>Sewerage Network Master Plan</i> | - | - | - | - | - | - | - | (500) | - |
| <i>Storm Water Master Plan</i> | - | - | - | - | 571 | 571 | 35 | - | - |
| <i>Traffic Control Contracts</i> | 614 | 91 | 630 | 796 | 734 | 734 | 734 | 807 | 888 |
| <i>Transport & Survey Costs</i> | - | - | - | - | 500 | 500 | - | - | - |
| <i>Water Distribution Master Plan</i> | - | - | - | - | - | - | - | (500) | - |
| <i>sub-total</i> | 14,203 | 6,419 | 10,120 | 9,412 | 10,106 | 10,106 | 9,510 | 9,376 | 9,875 |
| Allocations to organs of state: | | | | | | | | | |
| Electricity | - | - | - | - | - | - | - | - | - |
| Water | - | - | - | - | - | - | - | - | - |
| Sanitation | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |

Table 33 MBRR Table SA1 - Supporting detail to budgeted financial performance

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Total contracted services | 14,203 | 6,419 | 10,120 | 9,412 | 10,106 | 10,106 | 9,510 | 9,376 | 9,875 |
| Other Expenditure By Type | | | | | | | | | |
| Collection costs | 149 | 152 | 163 | 210 | 212 | 212 | 212 | 225 | 237 |
| Audit fees | 1,162 | 1,506 | 2,320 | 2,135 | 2,780 | 2,780 | 2,940 | 3,092 | 3,251 |
| General expenses | 4,945 | 6,187 | 6,178 | 7,089 | 9,302 | 9,302 | 7,633 | 8,218 | 8,910 |
| 2010 World Cup Soccer PVA | - | 291 | 424 | - | - | - | - | - | - |
| Administration Costs | - | - | - | - | - | - | - | - | - |
| Advertisement Costs | 407 | 747 | 454 | 676 | 499 | 499 | 381 | 409 | 437 |
| Bank Charges | 425 | 494 | 546 | 620 | 651 | 651 | 690 | 732 | 772 |
| Black Plastic Bags | 916 | 923 | 1,206 | 1,408 | 1,028 | 1,028 | 1,182 | 1,251 | 1,318 |
| Chemicals/Fertilizers | 1,439 | 1,952 | 1,821 | 1,907 | 1,952 | 1,952 | 2,141 | 2,267 | 2,387 |
| Commission Paid | 731 | 686 | 1,245 | 823 | 872 | 872 | 967 | 1,073 | 1,190 |
| Cultural Festival | - | - | - | - | 1,165 | 1,165 | 150 | 165 | 182 |
| Entertainment Costs | 827 | 325 | 464 | 462 | 401 | 401 | 447 | 460 | 484 |
| Fuel & Oil | 4,101 | 3,855 | 5,115 | 5,158 | 5,648 | 5,648 | 5,947 | 6,838 | 7,863 |
| Indigent Assistance | 14,508 | 12,555 | 16,117 | 16,370 | 19,155 | 19,155 | 20,499 | 21,937 | 23,479 |
| Insurance | 1,614 | 1,723 | 2,251 | 2,910 | 1,492 | 1,492 | 1,702 | 1,948 | 2,231 |
| Job Creation Activities | - | 9 | - | 280 | 8 | 8 | 140 | 280 | 280 |
| Laboratorium Analysis | 114 | 139 | 196 | 302 | 301 | 301 | 543 | 575 | 606 |
| Licence Fees | 433 | 495 | 541 | 594 | 557 | 557 | 581 | 616 | 650 |
| Membership Fees | 536 | 582 | 775 | 760 | 1,391 | 1,391 | 1,200 | 1,320 | 1,452 |
| Municipal Consumption | 5,699 | 8,446 | 11,237 | 13,201 | 13,409 | 13,409 | 14,780 | 16,284 | 17,944 |
| Operating Grant Expenditure | 4,671 | 32,292 | 34,830 | 30 | 2,511 | 2,511 | - | - | - |
| Printing/Stationary | 1,040 | 1,202 | 1,285 | 1,286 | 1,495 | 1,495 | 1,597 | 1,692 | 1,786 |
| Repairs and Maintenance | 8,053 | 8,436 | 10,462 | 11,106 | 10,920 | 10,920 | 11,752 | 12,927 | 14,219 |
| Street Lightening | 1,925 | 2,300 | 2,211 | 3,682 | 1,883 | 1,883 | 2,090 | 2,320 | 2,575 |
| Subsistence & Travel Costs | 1,753 | 2,245 | 2,699 | 2,061 | 2,805 | 2,805 | 2,245 | 2,377 | 2,503 |
| Telephone/Postage | 2,196 | 2,623 | 2,976 | 2,889 | 2,951 | 2,951 | 2,861 | 3,030 | 3,190 |
| Training | 2,343 | 1,812 | 1,601 | 1,775 | 1,701 | 1,701 | 1,926 | 2,090 | 2,158 |
| Contribution Long Service Awards | - | - | 2,843 | - | - | - | - | - | - |
| Contribution Post Employment Benefit | - | 2,127 | 20,739 | 600 | 14,864 | 14,864 | 1,900 | 2,090 | 2,299 |
| Provision - Landfill Sites | - | 26 | 10 | 30 | 4 | 4 | 4 | 5 | 5 |
| Total 'Other' Expenditure | 59,987 | 94,129 | 130,707 | 78,364 | 99,958 | 99,958 | 86,510 | 94,219 | 102,407 |
| | | | | | | | | | |
| Repairs and Maintenance by Expenditure Item | | | | | | | | | |
| Employee related costs | - | - | - | - | - | - | - | - | - |
| Other materials | 8,053 | 8,436 | 10,462 | 11,106 | 10,920 | 10,920 | 11,752 | 12,927 | 14,219 |
| Contracted Services | - | - | - | - | - | - | - | - | - |
| Other Expenditure | - | - | - | - | - | - | - | - | - |
| Total Repairs and Maintenance Expenditure | 8,053 | 8,436 | 10,462 | 11,106 | 10,920 | 10,920 | 11,752 | 12,927 | 14,219 |
| Repairs and Maintenance by Expenditure Item | | | | | | | | | |
| Employee related costs | 31,147 | 33,960 | 41,746 | 43,181 | 45,790 | 45,790 | 47,838 | 51,415 | 54,969 |
| Transport Costs / Machine / Vehicle Hire | 6,459 | 7,502 | 5,750 | 7,204 | 8,764 | 8,764 | 9,640 | 10,122 | 10,628 |
| Contracted Services | - | - | - | - | 975 | 975 | 1,495 | 1,037 | 1,618 |
| Other Expenditure | 11,865 | 11,890 | 14,456 | 14,761 | 15,560 | 15,560 | 16,587 | 18,448 | 20,520 |
| Total Repairs and Maintenance Expenditure | 49,471 | 53,352 | 61,951 | 65,146 | 71,088 | 71,088 | 75,560 | 81,022 | 87,735 |

**Table 34 MBRR Table SA2 – Matrix financial performance budget
(Revenue source / expenditure type and department)**

| | Vote 1 - MUNICIPAL MANAGER | Vote 2 - CORPORATE SERVICES | Vote 3 - FINANCIAL SERVICES | Vote 4 - DEVELOPMENT SERVICES | Vote 5 - TECHNICAL SERVICES | Total |
|--|----------------------------------|-----------------------------------|-----------------------------------|-------------------------------------|-----------------------------------|----------------|
| Description | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Revenue By Source | | | | | | |
| Property rates | 48,654 | - | - | - | - | 48,654 |
| Property rates - penalties & collection charges | - | - | - | - | - | - |
| Service charges - electricity revenue | - | - | - | - | 194,082 | 194,082 |
| Service charges - water revenue | - | - | - | - | 43,412 | 43,412 |
| Service charges - sanitation revenue | - | - | - | 2,496 | 22,346 | 24,842 |
| Service charges - refuse revenue | - | - | - | 22,659 | - | 22,659 |
| Service charges - other | - | - | - | - | - | - |
| Rental of facilities and equipment | 5,217 | 481 | - | 493 | 0 | 6,192 |
| Interest earned - external investments | - | - | 1,512 | - | - | 1,512 |
| Interest earned - outstanding debtors | - | - | 2,902 | - | - | 2,902 |
| Dividends received | - | - | - | - | - | - |
| Fines | - | - | - | 1,611 | - | 1,611 |
| Licences and permits | - | - | 1 | 1,669 | - | 1,669 |
| Agency services | - | - | - | 3,415 | - | 3,415 |
| Other revenue | 5 | 97 | 793 | 914 | 942 | 2,751 |
| Transfers recognised - operational | - | 813 | 59,425 | 2,138 | 4,175 | 66,551 |
| Gains on disposal of PPE | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | 53,876 | 1,392 | 64,632 | 35,395 | 264,958 | 420,253 |
| Expenditure By Type | | | | | | |
| Employee related costs | 28,205 | 16,580 | 16,242 | 66,812 | 42,344 | 170,182 |
| Remuneration of councillors | 7,303 | - | - | - | - | 7,303 |
| Debt impairment | - | - | 540 | - | - | 540 |
| Depreciation & asset impairment | - | 608 | - | - | 13,820 | 14,428 |
| Finance charges | 183 | - | - | - | 12,558 | 12,740 |
| Bulk purchases | - | - | - | - | 116,901 | 116,901 |
| Other materials | - | - | - | - | - | - |
| Contracted services | 1,500 | 1,787 | 2,604 | 1,799 | 1,820 | 9,510 |
| Transfers and grants | 583 | - | - | - | - | 583 |
| Other expenditure | 4,882 | (2,188) | 17,661 | 24,755 | 41,399 | 86,510 |
| Loss on disposal of PPE | - | - | - | - | - | - |
| Total Expenditure | 42,656 | 16,787 | 37,047 | 93,366 | 228,842 | 418,697 |
| Surplus/(Deficit) | 11,221 | (15,395) | 27,585 | (57,971) | 36,116 | 1,556 |
| Transfers recognised - capital | - | - | 32,125 | - | - | 32,125 |
| Contributions recognised - capital | - | - | - | - | - | - |
| Contributed assets | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | 11,221 | (15,395) | 59,710 | (57,971) | 36,116 | 33,681 |

Table 35 MBRR Table SA3 – Supporting detail to Statement of Financial Position

| Description / R thousand | 2008/9 | 2009/10 | 2010/11 | Current Year 2011/12 | | | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|------------------|------------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| ASSETS | | | | | | | | | |
| <u>Call investment deposits</u> | | | | | | | | | |
| Call deposits < 90 days | 26,164 | 20,536 | 6,294 | 12,242 | 12,360 | 12,360 | 10,000 | 11,375 | 14,825 |
| Other current investments > 90 days | – | 5,705 | 5,763 | 4,000 | 4,000 | 4,000 | 5,000 | 6,000 | 6,000 |
| Total Call investment deposits | 26,164 | 26,241 | 12,057 | 16,242 | 16,360 | 16,360 | 15,000 | 17,375 | 20,825 |
| <u>Consumer debtors</u> | | | | | | | | | |
| Consumer debtors | 34,222 | 35,944 | 39,855 | 35,000 | 33,000 | 33,000 | 36,600 | 39,200 | 41,000 |
| Less: Provision for debt impairment | (20,117) | (18,261) | (14,393) | (20,637) | (14,393) | (14,393) | (14,433) | (14,533) | (14,683) |
| Total Consumer debtors | 14,104 | 17,683 | 25,462 | 14,363 | 18,607 | 18,607 | 22,167 | 24,667 | 26,317 |
| <u>Debt impairment provision</u> | | | | | | | | | |
| Balance at the beginning of the year | 22,652 | 21,318 | 20,637 | 20,637 | 14,393 | 14,393 | 14,393 | 14,433 | 14,533 |
| Contributions to the provision | 259 | 2,949 | 784 | 500 | 500 | 500 | 540 | 600 | 650 |
| Bad debts written off | (1,593) | (3,630) | (7,028) | (500) | (500) | (500) | (500) | (500) | (500) |
| Balance at end of year | 21,318 | 20,637 | 14,393 | 20,637 | 14,393 | 14,393 | 14,433 | 14,533 | 14,683 |
| <u>Property, plant and equipment (PPE)</u> | | | | | | | | | |
| PPE at cost/valuation (excl. finance leases) | 444,611 | 3,066,147 | 3,096,213 | 3,291,025 | 3,201,990 | 3,201,990 | 3,279,708 | 3,332,003 | 3,390,257 |
| Leases recognised as PPE | – | – | – | – | – | – | – | – | – |
| Less: Accumulated depreciation | 283,559 | 864,401 | 1,004,542 | 908,624 | 1,009,423 | 1,009,423 | 1,023,851 | 1,040,010 | 1,057,462 |
| Total Property, plant and equipment (PPE) | 161,052 | 2,201,746 | 2,091,671 | 2,382,401 | 2,192,567 | 2,192,567 | 2,255,858 | 2,291,993 | 2,332,795 |
| LIABILITIES | | | | | | | | | |
| <u>Current liabilities - Borrowing</u> | | | | | | | | | |
| Short term loans (other than bank overdraft) | – | – | – | – | – | – | – | – | – |
| Current portion of long-term liabilities | 2,566 | 3,653 | 6,555 | 17,000 | 17,000 | 17,000 | 18,000 | 19,000 | 20,000 |
| Total Current liabilities - Borrowing | 2,566 | 3,653 | 6,555 | 17,000 | 17,000 | 17,000 | 18,000 | 19,000 | 20,000 |
| <u>Trade and other payables</u> | | | | | | | | | |
| Trade and other creditors | 14,331 | 20,384 | 21,190 | 18,000 | 15,980 | 15,980 | 16,590 | 15,695 | 15,793 |
| Unspent conditional transfers | 8,538 | 11,064 | 18,887 | 0 | 30,840 | 30,840 | 25,842 | 26,352 | 26,352 |
| VAT | 2,617 | 2,956 | 3,594 | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 |
| Total Trade and other payables | 25,486 | 34,404 | 43,671 | 22,500 | 51,320 | 51,320 | 46,932 | 46,547 | 46,645 |
| <u>Non current liabilities - Borrowing</u> | | | | | | | | | |
| Borrowing | 57,826 | 58,730 | 70,207 | 144,624 | 120,175 | 120,175 | 152,768 | 164,742 | 177,311 |
| Finance leases (including PPP asset element) | – | – | – | – | – | – | – | – | – |
| Total Non current liabilities - Borrowing | 57,826 | 58,730 | 70,207 | 144,624 | 120,175 | 120,175 | 152,768 | 164,742 | 177,311 |
| <u>Provisions - non-current</u> | | | | | | | | | |
| Non-Current Trust Accounts | 2,574 | 2,484 | 3,012 | 5,000 | 5,000 | 5,000 | 4,700 | 4,900 | 5,100 |
| List other major provision items | – | – | – | – | – | – | – | – | – |
| Post Employment Medical Aid Benefits | – | 18,233 | 37,197 | 19,433 | 33,698 | 33,698 | 35,598 | 37,688 | 39,987 |
| Long Service Awards | – | 3,025 | 5,667 | 3,025 | 3,025 | 3,025 | 3,025 | 3,025 | 3,025 |
| Landfill Sites Rehabilitation | – | 1,311 | 1,321 | 1,371 | 1,345 | 1,345 | 1,350 | 1,354 | 1,359 |
| Total Provisions - non-current | 2,574 | 25,053 | 47,197 | 28,829 | 43,068 | 43,068 | 44,672 | 46,967 | 49,471 |
| CHANGES IN NET ASSETS | | | | | | | | | |
| <u>Accumulated Surplus/(Deficit)</u> | | | | | | | | | |
| Accumulated Surplus/(Deficit) - opening balance | 156,747 | (54,274) | 2,304,617 | 2,307,960 | 2,146,536 | 2,146,536 | 2,172,987 | 2,206,668 | 2,232,794 |
| GRAP adjustments | (204,978) | 2,448,905 | – | – | – | – | – | – | – |
| Restated balance | (48,231) | 2,394,631 | 2,304,617 | 2,307,960 | 2,146,536 | 2,146,536 | 2,172,987 | 2,206,668 | 2,232,794 |
| Surplus/(Deficit) | 842 | (89,943) | (158,151) | 65,018 | 26,451 | 26,451 | 33,681 | 26,127 | 29,231 |
| Appropriations to Reserves | (16,941) | – | – | – | – | – | – | – | – |
| Transfers from Reserves | – | – | – | – | – | – | – | – | – |
| Depreciation offsets | 10,057 | – | – | – | – | – | – | – | – |
| Other adjustments | – | (71) | 70 | – | – | – | – | – | – |
| Accumulated Surplus/(Deficit) | (54,274) | 2,304,617 | 2,146,536 | 2,372,978 | 2,172,987 | 2,172,987 | 2,206,668 | 2,232,794 | 2,262,025 |
| <u>Reserves</u> | | | | | | | | | |
| Housing Development Fund | – | – | – | – | – | – | – | – | – |
| Capital replacement | 12,000 | – | – | – | – | – | – | – | – |
| Capitalisation | 56,419 | – | – | – | – | – | – | – | – |
| Government grant | 38,431 | – | – | – | – | – | – | – | – |
| Donations and public contributions | 93 | – | – | – | – | – | – | – | – |
| Self-insurance | – | – | – | – | – | – | – | – | – |
| Other reserves | – | – | – | – | – | – | – | – | – |
| Revaluation | – | – | – | – | – | – | – | – | – |
| Total Reserves | 106,942 | – | – | – | – | – | – | – | – |
| TOTAL COMMUNITY WEALTH/EQUITY | 52,668 | 2,304,617 | 2,146,536 | 2,372,978 | 2,172,987 | 2,172,987 | 2,206,668 | 2,232,794 | 2,262,025 |

Table 36 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

| Description of economic indicator | Basis of calculation | 1996 Census | 2001 Census | 2007 Survey | 2008/9 Outcome | 2009/10 Outcome | 2010/11 Outcome | Current Year 2011/12 | 2012/13 Medium Term Revenue & Expenditure Framework | | |
|---|----------------------|----------------|----------------|----------------|-------------------|--------------------|--------------------|-------------------------|--|---------|---------|
| | | | | | | | | Original Budget | Outcome | Outcome | Outcome |
| Demographics | | | | | | | | | | | |
| Population | | | | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Females aged 5 - 14 | | | | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Males aged 5 - 14 | | | | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Females aged 15 - 34 | | | | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 |
| Males aged 15 - 34 | | | | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 |
| Unemployment | | | | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Monthly household income (no. of households) | | | | | | | | | | | |
| No income | | | | | | | | | | | |
| R1 - R1 600 | | | | | | | | | | | |
| R1 601 - R3 200 | | | | | | | | | | | |
| R3 201 - R6 400 | | | | | | | | | | | |
| R6 401 - R12 800 | | | | | | | | | | | |
| R12 801 - R25 600 | | | | | | | | | | | |
| R25 601 - R51 200 | | | | | | | | | | | |
| R52 201 - R102 400 | | | | | | | | | | | |
| R102 401 - R204 800 | | | | | | | | | | | |
| R204 801 - R409 600 | | | | | | | | | | | |
| R409 601 - R819 200 | | | | | | | | | | | |
| > R819 200 | | | | | | | | | | | |
| Poverty profiles (no. of households) | | | | | | | | | | | |
| < R2 060 per household per month | | | | | | | | | | | |
| Insert description | | | | | | | | | | | |
| Household/demographics (000) | | | | | | | | | | | |
| Number of people in municipal area | | | | | | | | | | | |
| Number of poor people in municipal area | | | | | | | | | | | |
| Number of households in municipal area | | | | 18,184 | 18 | 18 | 18 | 18 | 18 | 18 | 18 |
| Number of poor households in municipal area | | | | | | | | | | | |
| Definition of poor household (R per month) | | | | | | | | | | | |
| Housing statistics | | | | | | | | | | | |
| Formal | | | | | | | | | | | |
| Informal | | | | | | | | | | | |
| Total number of households | | - | - | - | - | - | - | - | - | - | - |
| Dwellings provided by municipality | | | | | | | | | | | |
| Dwellings provided by province/s | | | | | | | | | | | |
| Dwellings provided by private sector | | | | | | | | | | | |
| Total new housing dwellings | | - | - | - | - | - | - | - | - | - | - |
| Economic | | | | | | | | | | | |
| Inflation/inflation outlook (CPIX) | | | | | | | | | | | |
| Interest rate - borrowing | | | | | | | | | | | |
| Interest rate - investment | | | | | | | | | | | |
| Remuneration increases | | | | | | | | | | | |
| Consumption growth (electricity) | | | | | | | | | | | |
| Consumption growth (water) | | | | | | | | | | | |
| Collection rates | | | | | | | | | | | |
| Property tax/service charges | | | | | | | | | | | |
| Rental of facilities & equipment | | | | | | | | | | | |
| Interest - external investments | | | | | | | | | | | |
| Interest - debtors | | | | | | | | | | | |
| Revenue from agency services | | | | | | | | | | | |

Table 37 MBRR SA32 – List of external mechanisms

| External Mechanism / Name of Organisation | Yrs/ Mths | Period of Agreement | Service provided | Expiry date of service delivery agreement or contract | Monetary Value of Agreement |
|--|--------------|------------------------|--|--|-----------------------------------|
| | | Number | | | R'000 |
| BIO | Yrs | Ongoing | Information System - Financial System | Ongoing | 141 |
| IMIS | Yrs | Ongoing | Information System - Financial System | Ongoing | 266 |
| Allech Netstar Fleet Solutions | Mths | Ongoing | Satellite Tracking System for Vehicles | Ongoing - 30 Days Notice Period | 320 |
| Team Male | Yrs | Ongoing | Information System - Financial System | Ongoing | 12 |
| Nashua | Yrs | 3 | Rental of Photocopy Machines | 02/02/2014 | 37 |

2.15 Municipal manager's quality certificate

I _____, Municipal Manager of //Khara Hais Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

WILLEM JB ENGELBRECHT

Municipal Manager of //Khara Hais Municipality (NC083)

Signature: _____ Date: _____